

retary of the Smithsonian Institution to send to the House of Representatives a complete list of the subscriptions, if any, made by private persons to the Smithsonian Institution or to any of its officers for the expenses in connection with the African hunting trip of ex-President Roosevelt, reported the same without amendment, accompanied by a report (No. 1071), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. PEPPER, from the Committee on Military Affairs, to which was referred the bill (H. R. 3957) for the relief of Isaac Thompson, reported the same without amendment, accompanied by a report (No. 1068), which said bill and report were referred to the Private Calendar.

Mr. DENT, from the Committee on the Public Lands, to which was referred the bill (H. R. 16604) for the relief of Lewis Montgomery, reported the same without amendment, accompanied by a report (No. 1067), which said bill and report were referred to the Private Calendar.

Mr. PEPPER, from the Committee on Military Affairs, to which was referred the bill (S. 1484) for the relief of Ferdinand Tobe, reported the same without amendment, accompanied by a report (No. 1070), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. COVINGTON: A bill (H. R. 25988) to authorize aids to navigation and other works in the Lighthouse Service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: A bill (H. R. 25989) to equip, build, complete, and furnish water, electric-light, and sewerage systems for the Fort Bidwell Indian School, on the Government reservation at Fort Bidwell, Cal., and for other purposes; to the Committee on Indian Affairs.

By Mr. PRAY: A bill (H. R. 25990) to establish a mining experiment station at Helena, Lewis and Clark County, Mont., to aid in the development of the mineral resources of the United States, and for other purposes; to the Committee on Mines and Mining.

By Mr. LINTHICUM: A bill (H. R. 25991) to amend section 3186 as amended by section 3 of the act of March 1, 1879; to the Committee on Ways and Means.

By Mr. FITZGERALD: Resolution (H. Res. 642) providing for consideration of the disposition of water rights on Schofield Military Reservation, Hawaiian Islands, in connection with the bill (H. R. 25970) making appropriations to supply deficiencies in appropriations, etc.; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. ANSBERRY: A bill (H. R. 25992) granting an increase of pension to Franklin Converse; to the Committee on Invalid Pensions.

By Mr. BURKE of South Dakota: A bill (H. R. 25993) granting a pension to Almira M. Meade; to the Committee on Invalid Pensions.

By Mr. CLAYPOOL: A bill (H. R. 25994) granting an increase of pension to Henry Wolf; to the Committee on Invalid Pensions.

Also, a bill (H. R. 25995) granting an increase of pension to Aries Butcher; to the Committee on Invalid Pensions.

By Mr. CRAGO: A bill (H. R. 25996) granting an increase of pension to Rebecca Rice; to the Committee on Invalid Pensions.

By Mr. FRANCIS: A bill (H. R. 25997) for the relief of Joshua Algeo; to the Committee on Military Affairs.

Also, a bill (H. R. 25998) granting a pension to Andrew Crowl; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 25999) for the relief of the heirs of Lindley Abel, deceased; to the Committee on War Claims.

By Mr. McLAUGHLIN: A bill (H. R. 26000) granting an increase of pension to Hiram E. Staples; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 26001) granting a pension to Harry A. Rhea; to the Committee on Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 26002) granting an honorable discharge to David D. Woods; to the Committee on Military Affairs.

By Mr. RUSSELL: A bill (H. R. 26003) granting an increase of pension to Moses McGinnis; to the Committee on Invalid Pensions.

By Mr. TOWNSEND: A bill (H. R. 26004) granting an increase of pension to Annie Liese; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CALDER: Petition of the Allied Printing Trades Council of the State of New York, against passage of the Bourne parcel-post bill; to the Committee on the Post Office and Post Roads.

Also, petition of members of the Daughters of Liberty, of Brooklyn, N. Y., favoring passage of bills restricting immigration; to the Committee on Immigration and Naturalization.

Also, petition of the Fourteenth Street Store, New York City, against passage of the Bourne parcel-post bill; to the Committee on the Post Office and Post Roads.

By Mr. DICKINSON: Papers to accompany bill in support of pension claim of George C. Brill, Troop M, Fourteenth Regiment United States Cavalry; to the Committee on Invalid Pensions.

By Mr. FOSTER: Petition of citizens of Mount Vernon, Ill., favoring the passage of Senate bill 5461, to restrict the number of saloons in the District of Columbia; to the Committee on the District of Columbia.

By Mr. FRENCH: Petition of citizens of the State of Idaho, favoring passage of bill regulating express rates, etc.; to the Committee on Interstate and Foreign Commerce.

Also, petition of citizens of the State of Idaho, against passage of the Bourne parcel-post bill; to the Committee on the Post Office and Post Roads.

Also, petition of merchants of Stites, Idaho, against passage of bills changing patent laws; to the Committee on Patents.

By Mr. FULLER: Petition of the Ottawa (Ill.) Business Men's Association, protesting against the passage of the Bourne parcel-post bill (S. 6850) and favoring a parcel-post commission; to the Committee on the Post Office and Post Roads.

By Mr. LINDSAY: Petition of the Workmen's Sick and Death Benefit Fund of America, New York, protesting against the passage of House bill 22527, for restriction of immigration; to the Committee on Immigration and Naturalization.

By Mr. SPARKMAN: Petition of citizens protesting against the passage of a general parcel-post bill; to the Committee on the Post Office and Post Roads.

Mr. SULZER: Petition of the committee of wholesale grocers, New York, favoring reduction of duties on all raw and refined sugars; to the Committee on Ways and Means.

SENATE.

SATURDAY, July 27, 1912.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The Secretary proceeded to read the Journal of yesterday's proceedings when, on request of Mr. BRANDEGEE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 21480) to establish a standard barrel and standard grades for apples when packed in barrels, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 100) authorizing the Secretary of the Interior to permit the continuation of coal-mining operations on certain lands in Wyoming.

The message further returned to the Senate, in compliance with its request, the bill (H. R. 18041) granting a franchise for the construction, maintenance, and operation of a street railway system in the district of South Hilo, county of Hawaii, Territory of Hawaii.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

S. 4930. An act to harmonize the national law of salvage with the provisions of the international convention for the unification of certain rules with respect to assistance and salvage at sea, and for other purposes;

H. R. 21480. An act to establish a standard barrel and standard grade for apples when packed in barrels, and for other purposes;

H. R. 25598. An act granting a pension to Cornelia C. Bragg; and

H. J. Res. 340. An act making appropriation to be used in exterminating the army worm.

PETITIONS AND MEMORIALS.

Mr. JOHNSON of Maine (for Mr. GARDNER) presented petitions of Local Grange No. 134, Patrons of Husbandry, of Sweden; of the Board of Trade of Presque Isle; of the Board of Trade of Yarmouth; and of the State Federation of Labor, all in the State of Maine, praying for the establishment of a governmental system of postal express, which were ordered to lie on the table.

He also (for Mr. GARDNER) presented resolutions adopted by members of the Association of Hebrew Veterans of the War with Spain, in convention at New York City, remonstrating against the enactment of legislation to further restrict immigration, which were ordered to lie on the table.

He also (for Mr. GARDNER) presented a petition of Local Union No. 270, International Brotherhood of Stationary Firemen, of Madison, Me., praying for the passage of the so-called injunction limitation bill, which was ordered to lie on the table.

Mr. JOHNSON of Maine. I have several communications addressed to my colleague Mr. GARDNER relating to the parcel post, which I ask may be printed in the RECORD.

There being no objection, the communications were ordered to lie on the table and to be printed in the RECORD, as follows:

RIGHT RELATIONSHIP LEAGUE,
Minneapolis, Minn., July 23, 1912.

Senator O. GARDNER,
United States Senate, Washington, D. C.

DEAR SENATOR GARDNER: The Right Relationship League of Minneapolis, Minn., has a membership of some 15,000 farmers who are life members of this league and stockholders in some 150 cooperative stores organized and operating on the English Rochdale system, which stores are scattered throughout several States in the Middle Northwest.

So far as we have been able to learn these farmers are unanimously in favor of the passage of the so-called Gardner-Goeke bill, which is now in Congress, providing for the elimination of the express companies and the articulation of the express facilities with the postal facilities in the cities and on the Rural Free Delivery routes. We are confident that if we could see each one of these farmers personally there would not be a single one who would not sign a petition in favor of the Gardner-Goeke bill and against the bill introduced by Senator BOURNE, of Oregon.

Information gained by the writer during the past 60 days in addressing large gatherings of farmers at picnics has led him to believe that the above statements are absolutely true and to hope that our northwestern Senators will refuse to play into the hands of the interests by passing the Bourne bill or any other measure which shall be less adequate for the benefit of the people in the way of parcel-post or postal-express facilities than are provided for in the Gardner-Goeke bill.

Very truly, yours,

RIGHT RELATIONSHIP LEAGUE,
E. M. TOUSLEY,
Secretary and Treasurer.

FARMERS AND TAXPAYERS' ASSOCIATION,
New York, July 24, 1912.

To Senator GARDNER OF MAINE.

DEAR SIR: Reading your speech of yesterday in the New York Times, beg to hasten to sincerely thank you for your attitude regarding the amendments that have been tacked onto Representative WILLIAM SULZER's parcel-post bill. Will you kindly send us your address if it is printed in the CONGRESSIONAL RECORD? Last spring our committee united with the 100,336 Patrons of Husbandry in this State to ask for a parcel post. Some of our eyes are dimmed watching for it; some of our ears are impatiently listening to the discordant ideas of some Senators whom Mr. GARDNER of Maine does not agree with and whose ideas, if correctly quoted in the press, more clearly represent the people than many another Senator participating in the present consideration of trying to give the people a parcel post.

The citizens of the United States want and are justly entitled to a decent kind of a parcel post, something that will meet the people's need. It is high time that the people should be served and not railroads nor express companies so exclusively. Trusting that our Senators, one and all, may listen to the universal call from Maine to California for a parcel post and give the people, not the railroads and express companies, what they want, I beg to remain,

Respectfully, yours,

T. GARDNER ELLSWORTH,
Secretary on Legislation.

CRADDOCK-TERRY CO.,
Lynchburg, Va., July 25, 1912.

Senator OBADIAH GARDNER,
United States Senate, Washington, D. C.

DEAR SIR: I noticed from the papers that you made a speech against the parcel-post bill now before the United States Senate, and I sin-

cerely hope that you will be successful in defeating this bill and in passing your bill.

The more I have thought of the matter the more I am convinced that your bill will meet the demands of the people and be popular legislation, and I am to-day writing Mr. UNDERWOOD and Senator SWANSON, and I hope that these gentlemen will assist you in defeating the parcel-post bill and in passing your bill.

With kindest regards, I beg to remain,

Yours, truly,

C. G. CRADDOCK.

REPORTS OF COMMITTEES.

Mr. BRISTOW, from the Committee on Military Affairs, to which was referred the bill (H. R. 13566) for the relief of soldiers and sailors who enlisted or served under assumed names, while minors or otherwise, in the Army or Navy of the United States during any war with any foreign nation or people, reported it without amendment and submitted a report (No. 986) thereon.

He also, from the same committee, to which was referred the bill (S. 7125) to remove the charge of desertion from the military record of Elias Brant, submitted an adverse report (No. 987) thereon, which was agreed to, and the bill was postponed indefinitely.

Mr. CRAWFORD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 223) to provide for the inspection and grading of grain entering into interstate commerce and to secure uniformity in standards and classification of grain, and for other purposes, reported it with amendments and submitted a report (No. 988) thereon.

Mr. CLAPP, from the Committee on Interstate Commerce, to which was referred the bill (S. 6099) to amend section 15 of the act to regulate commerce, as amended June 29, 1906, and June 18, 1910, reported it without amendment.

He also, from the same committee, to which was referred the bill (S. 6100) appropriating \$100,000 for the use of the Interstate Commerce Commission in addition to the sum or sums already appropriated for their use, reported it without amendment.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 7377) granting a right of way through the Fort Shafter Military Reservation, Territory of Hawaii, to the Pearl Harbor Traction Co. (Ltd.), and for other purposes; to the Committee on Military Affairs.

By Mr. CULLOM:

A bill (S. 7378) for the relief of James E. C. Covel; to the Committee on Military Affairs.

By Mr. BAILEY:

A bill (S. 7379) to provide for a site and public building at Coleman, Coleman County, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON of Maine:

A bill (S. 7380) for the relief of the States of Massachusetts and Maine; to the Committee on Claims.

By Mr. SIMMONS:

A bill (S. 7381) granting a pension to Claudia Reid; and
A bill (S. 7382) granting a pension to L. R. Williamson; to the Committee on Pensions.

By Mr. BACON:

A bill (S. 7383) to increase the limit of cost for the post-office building heretofore authorized at Dublin, Ga.; to the Committee on Public Buildings and Grounds.

THE PANAMA CANAL.

Mr. WATSON (for Mr. CHILTON) submitted an amendment intended to be proposed by him to the bill (H. R. 21969) to provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone, which was referred to the Committee on Inter-oceanic Canals and ordered to be printed.

CLEARWATER RIVER BRIDGE, IDAHO.

Mr. BORAH. There is on the calendar a brief bill which it is extremely important to have passed as soon as possible. I ask unanimous consent for the consideration of the bill (S. 7315) to authorize the construction of a bridge across the Clearwater River at any point within the corporate limits of the city of Lewiston, Idaho.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Idaho?

There being no objection, the bill was considered as in Committee of the Whole.

Mr. HEYBURN. I will make an inquiry of my colleague. It is provided that there shall be a draw in the bridge?

Mr. BORAH. The bridge is to be constructed in accordance with the provisions of the act to regulate the construction of

bridges over navigable waters of March 23, 1906. It has the approval of the department and of the people of the city of Lewiston.

Mr. HEYBURN. A bridge with a draw is contemplated?

Mr. BORAH. Yes.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE PANAMA CANAL.

Mr. BRANDEGEE. Before closing the morning business I wish to give notice that on Monday, immediately at the conclusion of House bill 16571, Calendar No. 446, the matter of the fur-seal convention, which the Senator from Massachusetts [Mr. LODGE] has given notice he will call up, I shall ask the Senate to proceed to the consideration of the unfinished business, and I shall try to keep it before the Senate until it is finally acted on.

THE SUGAR SCHEDULE.

The PRESIDENT pro tempore. The morning business is closed, and the unanimous-consent agreement will be read.

The Secretary read as follows:

It is agreed by unanimous consent that on Saturday, July 27, 1912, immediately upon the conclusion of the routine morning business, the Senate will proceed to the consideration of the bill (H. R. 21213) to amend an act entitled "An act to provide revenue, equalize duties," etc. (known as the sugar bill), and before adjournment on that calendar day will vote upon any amendment that may be pending, any amendments that may be offered, and upon the bill—through the regular parliamentary stages—to its final disposition.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 21213) to amend an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909.

The PRESIDENT pro tempore. The bill will be read in full.

The SECRETARY. The Committee on Finance reported the bill with an amendment, to strike out all after the enacting clause and insert:

That six months from and after the passage of this act there shall be levied, collected, and paid the rates of duty which are prescribed in the paragraphs of this act upon the articles hereinafter enumerated, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands and the Islands of Guam and Tutuila), and the said paragraphs and sections shall constitute and be a substitute for paragraphs 216 and 217 of section 1 of an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909.

First. Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete, and concentrated molasses, testing by the polariscope not above 75°, ninety-five one-hundredths of 1 cent per pound, and for each additional degree shown by the polariscope test, thirty-five one-thousandths of 1 cent per pound additional, and fractions of a degree in proportion; molasses testing not above 40°, 20 per cent ad valorem; testing above 40° and not above 56°, 3 cents per gallon; testing above 56°, 6 cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscope test: *Provided*, That every bag, barrel, or parcel in which sugar testing by the polariscope less than 99° is packed shall be plainly branded by the manufacturer or refiner thereof with the name of such manufacturer or refiner, and the polariscope test of the sugar therein contained, accurately within one-half of 1°, and a failure to brand any such bag, barrel, or parcel as herein required shall be deemed and taken to be a misbranding of food within the meaning of the act of June 30, 1906, entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes." And the requirements of this proviso shall not apply to any sugar shipped or delivered to a refiner to be refined before entering into consumption.

Second. Maple sugar and maple sirup, 4 cents per pound; glucose or grape sugar, 1½ cents per pound; sugar cane in its natural state or unmanufactured, 20 per cent ad valorem; sugar cane defecated, shredded, artificially dried, or which has been subjected to any manufacturing or other process, 50 per cent ad valorem.

Third. That nothing in this act contained shall be so construed as to abrogate or in any manner impair or affect the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on the 11th day of December, 1902, or the provisions of the act of Congress heretofore passed for the execution of the same, and that upon the taking effect of this act all acts and parts of acts in conflict with the provisions hereof shall be repealed.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. LODGE. Mr. President, I am going to ask first that some graphic tables which I have had prepared, showing various statistics relating to sugar and comparing it with other products, may be reduced to small tables in black and white and printed as a Senate document. (S. Doc. No. —.)

The PRESIDENT pro tempore. Without objection, the request will be complied with.

Mr. LODGE. Mr. President, it is just a hundred years since Napoleon established in France the manufacture of beet sugar. That the beet contained sugar juice had long been known. Olivier de Serres, a distinguished French chemist, had pointed out

this fact in 1600. In 1747 a Prussian chemist, Marggraf by name, had demonstrated that a true sugar could be extracted from beets. A pupil of Marggraf named Achard took up the work and made practical demonstrations of the practicability of extracting sugar from beets on a farm near Berlin. Although Achard received royal aid the industry languished and his labors bore little fruit until a letter which he addressed to Van Mons, and which was published in the annals of chemistry, led, in 1799–1800, to the appointment of a committee of the Institute of France to examine and report upon Achard's experiments. The committee reported that Achard overestimated the sugar extraction and underestimated the cost by one-half, but even a cost of 16 cents per pound was only one-half the price at which sugar was then selling, so two small factories were erected in the environs of Paris. Both were financial failures, and public attention was then concentrated on the hopeless plan of making a true sugar from grapes. Public events, however, soon forced active and practical measures which chemical knowledge and experiments, unassisted, had been unable to obtain. The control of the sea passed completely into the hands of England after the Battle of Trafalgar. Then followed Napoleon's continental blockade, and the Emperor's decrees and British Orders in Council between them made neutral commerce hazardous to the last degree and at times well-nigh impossible. One result was a sugar famine which soon prevailed in France and the small amount of sugar which reached the French market commanded fantastic prices. Trelawney, in his autobiography called the "Adventures of a Younger Son," describes his getting into Cherbourg in a fast American schooner which managed to slip through the British cruisers and make a French port. He says that the vessel carried spices, silks, and other articles of both luxury and necessity, then bringing enormous prices, but that the greatest profit was on sugar, which alone made an immense return on the investment. Such a situation as this was obviously intolerable, and on March 25, 1811, Napoleon issued his first decree giving a bounty for the production of beet sugar, and followed it by another in January, 1812, enlarging the reward and founding factories for instruction in the art. Even in the midst of the great events then culminating in the invasion of Russia and destined to result in the fall of the empire, Napoleon gave close attention to the development of this industry, which he was convinced was essential to the military strength and economic independence of France. His efforts were crowned with quick success. In 1813, less than three years after the first attempts, France had 334 beet-sugar factories and produced 3,500 tons of beet sugar. After the fall of Napoleon his plan was, in large measure, abandoned; the beet-sugar industry was neglected, and it was not until the time of the second empire that the policy of the first Napoleon was revived. Since then the industry has grown steadily until in 1900 and 1901 it reached the enormous production of 1,000,000 tons.

The point to which I wish to call attention, however, is not the history of the beet-sugar industry in France, but the reasons which led to its foundation in that country. Owing to the English supremacy at sea Napoleon found that France was dependent on other countries for its sugar supply. He came to the conclusion that this was a serious national weakness, because sugar was one of the important necessities of life. He therefore was convinced that it was a political as well as an economic necessity to make France independent, so far as possible, in regard to her supply of sugar. He took the view that a small and practically unfelt tax, levied on the people of France for the purpose of creating a native sugar industry, was a very trifling price to pay for independence in the production of this important article, and that in the long run the people would pay a great deal more for their sugar if they were left dependent for their supply upon other countries and upon the fortunes of war. It will be generally admitted, I imagine, that the first Napoleon was a man of more than ordinary ability, and I think it is no reflection to say that his intelligence was perhaps as high as the average intelligence of the framers of this House bill, who appear to have overlooked the importance of industrial independence in the production of sugar, which is the fundamental condition involved in this question. The views of Napoleon, moreover, in this matter seem to have been generally accepted by continental Europe. Germany adopted the same policy in the early forties, and we are all familiar with the large proportions which the sugar industry has assumed in Germany, Austria, and Russia, under Government encouragement.

During this development it was found that the production of beet sugar, which it was feared would withdraw too much land from the production of wheat, an objection imperiously disregarded by Napoleon in 1812, had an exactly contrary effect.

It was discovered that the production of the sugar beet, through the necessary deep plowing, thorough cultivation, and removal of foul growth, increased very largely the productive capacity of all other farming land, that it not only made the country independent in the production of sugar, but that it added enormously to its general agricultural capacity.

But the most striking support of the Napoleonic policy really has come from the English, who never accepted the French doctrine and whose policy for seventy years has been one of absolute hostility to the direct or indirect encouragement of industry by any form of legislation. The vast development of the beet-sugar industry in Europe resulted in a large surplus of bounty-fed sugar which the producing countries were enabled to pour into England at prices with which not even tropical cane sugar, unsustained by any bounty, could compete. The first effect of this under the English free-trade system was the practical ruin of her sugar islands in the West Indies. This her free-trade ministers bore with philosophy, pointing out that if those islands could not raise sugar in competition with the bounty-fed beet, it was their duty on the principles of free trade to turn their attention to other crops which they could raise at a profit. They overlooked the fact that there was no other crop in those islands to which the sugar planters could turn with the hope of profit—a fact more impressive, no doubt, to the inhabitants of the islands than to the free traders in London.

The next development was the gradual extinction of the English refineries. England had a very large business in refining cane sugar. A large part of the bounty-fed beet sugar, of course, came into England refined and the English and Scotch refineries began to go out of business. I think I am correct in stating that Glasgow and Greenock, which once had some 18 refineries, now have 6. This destruction of a home industry produced more effect in England than the misfortunes of the sugar islands, and the cherished doctrine of buying in the cheapest market and selling in the dearest began to look less desirable in this particular case. But that which finally turned the scale was that men of sense and foresight in England perceived that the country was becoming hopelessly dependent for a prime necessity of life upon European powers which were her rivals in trade and might very conceivably become her enemies in war. It was bad enough to be dependent for her wheat upon the United States and the Argentine, with whom there was no prospect of war, but to be dependent upon the Continent of Europe for an article like sugar gave pause even to the most ardent disciples of the doctrine of free trade.

The obvious relief of countervailing duties on bounty-fed sugar was, of course, suggested and was at once laid aside, because it was too clearly an abandonment of the free-trade principles. England then resorted to seeking an agreement among the nations producing a large surplus of bounty-fed sugars by which bounties should be restricted or abolished and the surplus available for introduction to her own markets limited. England labored in this direction for many years, and the result was the Brussels convention of 1902. It is not necessary at this point to go into the details of that convention with which I shall deal. Suffice it to say here that through the influence of England a system was established for the limitation of the artificial beet-sugar exportation. This was not as obvious a disregard of the principles of free trade as countervailing duties, but it was just as real and quite as effective. At the time of the Boer War England also put a small duty on sugar, and thus finally recognized, through her support of the Brussels convention and the imposition of a duty, that Napoleon was fundamentally right in the belief that it was for the best interest of a nation to make itself independent, so far as possible, in regard to this great necessity of life, and that sugar was eminently suitable for the production of revenue.

Therefore, in considering the question of the sugar duties, the first thing to be remembered is that the well-considered opinion of the entire world holds that it is important for a nation to be independent in the production of sugar, and yet it is only of late years that the United States, although its policy for a hundred years has been protective, has really adopted this principle in regard to sugar. During most of our history we have been dependent upon the West Indies for our supply, and it was not until the production of beet sugar began in this country that we realized that we were able to make ourselves entirely independent of the rest of the world in regard to sugar, if we would only give a reasonable protection by import duties sufficient to enable the beet-sugar industry to develop. That industry since its inception has made great strides, although it has been hindered in its progress by the constant threat of adverse legislation. There is no reasonable doubt that if the industry could be assured of sufficient protection for ten years the Nation would be entirely

independent of the rest of the world for its sugar supply. These views, which the rest of the world have adopted, have been totally disregarded by the makers of the House bill. Under their scheme of free sugar the Louisiana cane and the American beet sugar would go out of existence, and the supply of tropical cane from Porto Rico, the Philippines, and Hawaii, while it might in part maintain a precarious existence, would be so trifling, compared to the total amount of our consumption, that we should be left dependent upon foreign nations for this great necessity of life.

I now come to the attitude of the world in regard to a tax on sugar as a means of raising revenue. Every civilized nation to-day imposes a tax on sugar. Europe derives over \$200,000,000 in revenue from its taxes on sugar, and the United States collects over \$50,000,000 from the same source. This fact alone shows that the opinion of the civilized world, without any reference to the question of encouraging or building up the industry, is in favor of raising revenue from sugar. The reason for this is obvious. The tax is easily and surely collected. Although so enormously productive, it is not, except in the case of one or two European countries, a heavy tax. It falls lightly on the people who pay it. It also, as nearly as possible with an indirect tax, distributes itself fairly, according to the paying capacity of the population. Those best able to pay pay most, because they are the principal purchasers of the many articles of luxury into the composition of which sugar enters. The rich and well-to-do households, moreover, consume naturally more sugar than the poorer ones.

Every nation lays a tax upon wines, liquors, and tobacco, and no one questions that they are proper subjects of taxation. In the case of wines and liquors, the subject of taxation is certainly a luxury and one which no man suffers from abandoning if he does not care to pay the tax. It is less easy to draw the line on tobacco, which in its simpler forms comes very near the point of being a necessity to those who work hardest and who lead lives of great exposure. Sugar is, of course, a necessity and not a luxury, but by the distribution of its consumption, to which I have just alluded, it bears a tax with as little injustice as possible and has all the other qualities which commend an article for taxation—ease and certainty of collection, lightness in the individual case, and great productiveness in the mass.

Contrary to the general view of all economists and of all civilized nations, the House of Representatives has thought it judicious to take sugar from the list as a revenue producer. They could not have been moved to this action by any idea that sugar bore an unusually heavy burden in this country, because with the exception of England and Denmark the duty or tax on sugar is less here than in any other beet-sugar country in the world. The following table shows the rates of import duties imposed by various European countries:

	Raw (cents per pound).	Refined (cents per pound).
Austria-Hungary.....	3.99	4.03
Belgium.....	1.75	1.75
Denmark.....	1.22	1.22
France.....	2.67	2.89
Germany.....	1.99	2.03
Italy.....	3.29	4.33
Netherlands (excise tax).....	4.03	4.03
Russia.....	6.82	8.56
Spain.....	7.46	7.46
United Kingdom (96° or over).....	.396	.396

The duty paid in the United States on imported sugar is, for the great mass of our importations which come from Cuba under the preferential duty of the reciprocity treaty, 1.34 cents per pound. Very little sugar comes into this country with the full duty paid, the full duty being 1.68 cents per pound for 96° sugar. The average rate of duty for the past eight years collected on all sugar imported into the United States was 1.4 cents per pound. England collects an import duty just short of 0.4 cent per pound; Denmark, 1.22 cents per pound, but a trifle less than is collected in this country; and all the rest collect more in import duties than here, ranging from 7.46 cents per pound in Spain to 1.75 cents in Belgium. It is also to be noticed that import duties are only part of the taxation which is imposed in other countries upon sugar. The European sugar-producing countries levy an excise tax, a direct tax, on the domestic sugar manufacture, and the amount of this excise tax is only half a cent a pound less than the import duty, so that the consumer in the beet-producing countries of Europe is obliged to pay a heavy tax on domestic sugar, while the foreign sugar is kept out by a surtax of one-half cent per pound. I think, therefore, that we

may take it as demonstrated that, in the opinion of all civilized nations, sugar is a proper subject for taxation and that in raising revenue under any system, whether free trade or protection, sugar ought to bear its share.

The theory of the proponents of free sugar as embodied in the House bill, if they had a theory extending beyond the collection of votes, would appear to have been that if the sugar duty was removed the entire benefit of the removal would come to the consumer and that he would receive his sugar, as I have seen it broadly and generously put, 2 cents less per pound than he now pays for it, and that the consumption per capita in the United States being 82 pounds, he would save \$1.64 per year. If all the sugar brought into this country came in at 96° and paid 1.68 cents per pound, and each consumer consumed 82 pounds, he would save \$1.3776 per year, so that we see at once that we have to abandon the attractive round number of 2 cents and come down from \$1.64 to \$1.37 as the annual saving, even on the face of the figures. But the proposition has other defects. The average consumption per capita in this country is not 82 pounds per year. According to the report of the Bureau of Labor the yearly consumption per capita is 53.7 pounds, the rest of the sugar consumed in this country being used in the manufacture of confectionery, condensed milk, chewing gum, bread, and other articles, the retail prices of which are not affected materially, if at all, by the price of sugar. Thus, taking the figures of the Bureau of Labor as correct, and my own personal investigation made before I knew them confirms the official statistics, we find that if the whole duty on 96° sugar of 1.68 cents per pound is removed each consumer will save 0.90216 cents per year.

Now, let us take the other factor of the saving. The average duty paid on sugar is not 1.68 cents, but 1.40 cents, as I have just shown, therefore the annual saving to the consumer, if the whole amount of the duty when removed went into his pocket, would be only 0.7518 cents. I will print here, with the permission of the Senate, a table giving the exact annual saving per capita for each tenth of a cent reduction, assuming that the entire duty removed goes direct to the consumer:

The PRESIDENT pro tempore. Without objection, leave is granted.

The table referred to is as follows:

Annual gross saving per capita.		Cents.
On a reduction in duty of:		
One-tenth of 1 cent per pound.....	5.37	
Two-tenths of 1 cent per pound.....	10.74	
Three-tenths of 1 cent per pound.....	16.11	
Four-tenths of 1 cent per pound.....	21.48	
Five-tenths of 1 cent per pound.....	26.85	
Six-tenths of 1 cent per pound.....	32.22	
Seven-tenths of 1 cent per pound.....	37.59	
Eight-tenths of 1 cent per pound.....	42.96	
Nine-tenths of 1 cent per pound.....	48.33	
1 cent per pound.....	53.70	
Free sugar.....	72.28	

Mr. LODGE. For purposes of comparison I put beside this table another showing the loss of revenue by each tenth of a cent reduction in the duty:

	Loss in revenue.	
	Total.	Per capita.
By a reduction of—		Cents.
One-tenth of 1 cent per pound.....	\$3,899,932	4.33
Two-tenths of 1 cent per pound.....	7,799,864	8.66
Three-tenths of 1 cent per pound.....	11,699,796	12.99
Four-tenths of 1 cent per pound.....	15,599,728	17.33
Five-tenths of 1 cent per pound.....	19,499,660	21.66
Six-tenths of 1 cent per pound.....	23,399,592	25.99
Seven-tenths of 1 cent per pound.....	27,299,524	30.33
Eight-tenths of 1 cent per pound.....	31,199,456	34.66
Nine-tenths of 1 cent per pound.....	35,099,388	38.99
1 cent per pound.....	38,999,320	43.33
By free trade.....	52,496,559	58.33

I desire now to examine more closely the prospect which the consumer would possess of receiving this benefit of 75 cents a year. In the first place, we should remember that sugar has not been involved in the general advance of the prices of the necessities of life which has attracted so much attention and has become a question of so much gravity throughout the world.

In the lower part of table No. 7 hanging next the door, there is shown graphically from the figures of the Bureau of Labor and Statistics the increase in price of articles of daily consumption, of the necessities of life, such as articles of food. The figures above the line at the bottom of the sheet represent the increases, running up to the highest, which is in pork prod-

ucts. The decreases are below the line. The first and largest decrease is in molasses, the next is in California raisins, and the third is in sugar. Those are the only articles that have decreased during the three decades from 1880 to 1910.

The average wholesale price of granulated sugar per pound in New York in 1870 was 13.53 cents; in 1880, 9.60 cents; in 1890, 6.17 cents; in 1900, 5.32 cents; in 1910, 4.97 cents. It will be observed that there has been a steady decline in the average price of sugar, decade by decade, although during each period of ten years there have, of course, been fluctuations, generally moderate, in the price.

I will insert here, with the permission of the Senate, a table of New York prices of raw and refined sugar during the calendar years from 1890 to 1910; terms, net cash. The table is taken from Willett & Gray's Statistical Sugar Trade Journal. I may say that Willett & Gray are recognized authorities upon this subject.

The PRESIDENT pro tempore. In the absence of objection, permission is granted.

The table referred to is as follows:

New York prices of raw and refined sugar during calendar years 1890 to 1910; terms, net cash.

[From Willett & Gray's Statistical Sugar Trade Journal.]

Calendar years.	89° Muscovado, per pound (including duty).	96° centrifugal, per pound (including duty).	96° centrifugal, Cuban sugar, per pound (without duty).	Granulated, in barrels, per pound.
	Cents.	Cents.	Cents.	Cents.
1890.....	5.010	5.445	3.238	6.171
1891.....	3.370	3.863	3.381	4.641
1892.....	2.810	3.311	3.311	4.346
1893.....	3.200	3.689	3.689	4.842
1894.....	2.600	3.240	2.868	4.120
1895.....	2.925	3.270	2.335	4.152
1896.....	3.157	3.024	2.588	4.532
1897.....	3.071	3.587	2.583	4.503
1898.....	3.713	4.235	2.550	4.905
1899.....	3.920	4.419	2.734	4.919
1900.....	4.037	4.566	2.881	5.320
1901.....	3.527	4.047	2.362	5.050
1902.....	3.035	3.542	1.857	4.455
1903.....	3.228	3.720	2.035	4.638
1904.....	3.470	3.974	2.626	4.772
1905.....	3.694	4.278	2.918	5.256
1906.....	3.183	3.686	2.316	4.515
1907.....	3.248	3.756	2.306	4.649
1908.....	3.573	4.073	2.713	4.957
1909.....	3.507	4.007	2.646	4.765
1910.....	3.688	4.188	2.828	4.972

¹ Less 2½ per cent for cash.

² Less 2 per cent for cash.

Mr. LODGE. It will be observed that during the period of 20 years from 1890 to 1910, although, owing to special causes, like short crops, in 1900-1901 when the price of sugar rose to 5 and 5.3 cents, the general course has been steadily downward. In 1911 there was a shortage of sugar in the autumn of that year, and centrifugals in New York touched 5.794 cents in September, 5.896 in October, 5.127 in November, and were down to 4.824 in December; and yet, despite this quite abnormal rise, the average for the year was 4.454 cents, a lower average than for the preceding decade. I print these tables so that they may be examined in detail:

Average price by months for 96-test centrifugal sugars and London beet sugar at New York and the difference from 1904 to Mar. 31, 1912.

[Quotations in cents per pound.]

Month.	1912			1911			1910		
	Centrifugals.	Beet.	Difference.	Centrifugals.	Beet.	Difference.	Centrifugals.	Beet.	Difference.
January.....	4.424	5.210	0.786	3.584	3.880	0.296	4.087	4.770	0.683
February.....	4.656	5.338	.682	3.577	3.970	.393	4.208	4.830	.622
March.....	4.481	5.213	.732	3.823	4.170	.347	4.373	5.104	.731
April.....				3.894	4.245	.351	4.311	5.080	.769
May.....				3.852	4.205	.353	4.267	5.170	.903
June.....				3.911	4.320	.409	4.234	5.136	.902
July.....				4.285	4.633	.348	4.336	5.160	.824
August.....				4.880	5.150	.270	4.408	5.185	.777
September.....				5.794	5.654	.140	4.272	4.566	.294
October.....				5.896	5.795	.101	3.882	3.970	.088
November.....				5.127	5.576	.449	3.881	3.867	.014
December.....				4.824	5.212	.388	3.982	3.878	.104
Average for year.....				4.453	4.749	.296	4.188	4.722	.534

Average price by months for 96-test centrifugal sugars, etc.—Continued

Month.	1909			1908			1907		
	Centrifugals.	Beet.	Difference.	Centrifugals.	Beet.	Difference.	Centrifugals.	Beet.	Difference.
January.....	3.706	4.138	0.432	3.862	4.070	0.208	3.513	3.832	0.319
February.....	3.651	4.120	0.469	3.733	4.090	0.357	3.416	3.870	0.454
March.....	3.871	4.188	0.317	4.121	4.280	0.159	3.513	3.910	0.397
April.....	3.940	4.190	0.250	4.388	4.450	0.062	3.696	3.955	0.259
May.....	3.905	4.222	0.317	4.333	4.410	0.077	3.835	4.076	0.241
June.....	3.915	4.215	0.300	4.338	4.350	0.012	3.792	4.050	0.258
July.....	3.946	4.210	0.264	4.313	4.350	0.037	3.871	4.015	0.144
August.....	4.085	4.395	0.310	4.069	4.080	0.011	3.917	4.060	0.143
September.....	4.201	4.450	0.249	3.941	4.040	0.099	3.943	4.117	0.174
October.....	4.268	4.372	0.104	3.995	4.070	0.075	3.922	3.978	0.056
November.....	4.368	4.592	0.224	3.937	4.160	0.223	3.769	3.957	0.188
December.....	4.179	4.638	0.459	3.805	4.130	0.325	3.793	4.030	0.237
Average for year.....	4.007	4.311	0.304	4.073	4.208	0.135	3.756	3.999	0.243

Average price by months for 96-test centrifugal sugars, etc.—Continued.

Month.	1906			1905			1904		
	Centrifugals.	Beet.	Difference.	Centrifugals.	Beet.	Difference.	Centrifugals.	Beet.	Difference.
January.....	3.640	3.708	0.068	5.106	5.385	0.279	3.360	3.705	0.345
February.....	3.395	3.672	0.277	5.048	5.280	0.232	3.356	3.625	0.269
March.....	3.482	3.744	0.262	4.943	5.164	0.221	3.530	3.712	0.182
April.....	3.456	3.758	0.302	4.791	4.883	0.092	3.630	3.780	0.150
May.....	3.450	3.668	0.218	4.460	4.570	0.110	3.828	3.903	0.075
June.....	3.520	3.685	0.165	4.312	4.482	0.170	3.909	3.934	0.025
July.....	3.735	3.755	0.020	4.062	4.258	0.196	3.940	3.998	0.058
August.....	3.898	3.910	0.012	4.062	4.026	0.036	4.171	4.142	0.029
September.....	4.069	4.042	0.027	3.798	3.793	0.005	4.298	4.258	0.040
October.....	4.000	3.938	0.062	3.579	3.775	0.196	4.253	4.222	0.031
November.....	3.830	3.836	0.006	3.498	3.718	0.220	4.549	4.905	0.356
December.....	3.782	3.868	0.086	3.608	3.705	0.097	4.825	5.008	0.183
Average for year.....	3.686	3.800	0.114	4.278	4.420	0.142	3.974	4.141	0.167

Mr. LODGE. I will also ask leave to print at this point a table compiled from the Willett & Gray returns and the official returns showing the price of sugar in Europe and the United States in July, 1912, which are the very latest figures. The PRESIDENT pro tempore. Without objection, permission is granted.

Sugar in Europe and the United States.

(Compiled by Truman G. Palmer (July, 1912). All in metric tons, 2,204.6 pounds.)

Country.	Population.	Beet-sugar production, season of 1910-11.			Sugar imports.	Sugar exports.	Sugar consumption.		Import duties and excise.		Retail price of granulated sugar. ¹		
		Factories operating.	Sugar produced per factory.	Total sugar produced. ²	Aug. 31, 1910, to Sept. 1, 1911. ³	Aug. 31, 1910, to Sept. 1, 1911. ³	Aug. 31, 1910, to Sept. 1, 1911, total.	Per capita. ⁴	Per 100 pounds. ⁵	Total revenue from sugar. ⁶	City at which quoted.	July, 1911 (per pound).	Nov., 1911 (per pound).
Germany.....	63,366,000	354	7,316	2,589,809	3,913	1,125,868	1,377,059	47.91	\$2.03	\$37,800,000	Hamburg.....	5.9	7.8
Russia in Europe.....	131,235,000	276	7,640	2,108,760	(7)	148,885	1,338,780	22.49	8.56	55,319,700	Warsaw.....	7.2	7.2
Austria Hungary.....	51,300,000	203	7,501	1,522,785	(7)	811,535	663,879	28.53	4.02	38,963,200	Vienna.....	6.5	9.0
France.....	39,460,000	241	2,951	711,172	157,680	169,236	766,791	42.84	2.89	31,904,100	Paris.....	5.9	8.2
Belgium.....	7,452,000	77	3,678	283,222	7,146	155,444	129,098	38.37	2.23	3,669,600	Brussels.....	5.4	6.2
Netherlands.....	5,860,000	27	8,033	216,886	59,483	145,724	121,394	45.67	4.92	9,516,900	Amsterdam.....	8.7	10.9
Italy.....	34,565,000	35	5,240	183,400	6,546	.....	158,384	10.10	8.67	19,476,400	Rome.....	14.0	14.6
Sweden.....	5,490,000	21	8,276	173,804	893	.....	144,384	57.98	3.64	4,417,400	Stockholm.....	8.0	8.5
Denmark.....	2,730,000	8	13,625	109,000	23,369	1,522	104,304	84.23	1.22	1,437,000	Copenhagen.....	5.0	6.6
Spain.....	19,800,000	30	2,333	70,000	41	.....	122,953	13.69	7.00	7,003,600	Madrid.....	12.2	11.5
Roumania.....	6,960,000	5	10,000	50,000	.....	.....	33,403	10.58	6.56	3,888,050	Bucharest.....	10.1	11.8
Servia.....	2,850,000	1	7,443	7,443	3,133	.....	10,264	7.94	5.31	791,861	Belgrade.....	8.7	9.7
Bulgaria.....	4,329,000	1	3,700	3,700	14,585	.....	16,848	8.58	4.69	1,694,003	Sofia.....	11.2	.....
Switzerland.....	3,765,000	1	2,700	2,700	101,307	.....	130,373	76.34	7.9	1,764,397	Zurich.....	5.1	6.1
Greece.....	2,640,000	1	.....	(12)	7,885	.....	10,777	9.00	5.06	879,593	Athens.....	11.4	13.1
Norway.....	2,393,000	.....	.....	46,174	.....	.....	50,039	46.10	2.43	2,473,623	Christiania.....	6.3	8.2
Finland.....	3,050,000	.....	.....	45,392	46,000	.....	45,392	32.81	6.48	6,571,471	Finland.....	11.9	.....
Portugal and Madeira.....	5,770,000	(12)	.....	33,258	.....	.....	37,924	14.49	7.26	5,323,074	Lisbon.....	10.3	11.2
Turkey in Europe.....	6,130,200	.....	.....	40,000	.....	.....	37,815	13.60	(14)	.....	Constantinople.....	5.1	6.2
United Kingdom.....	45,677,000	(12)	.....	1,752,906	1,752,906	52,836	1,809,513	91.68	40	14,408,932	London.....	5.0	5.5
Europe (totals and averages).	444,822,200	1,281	6,275	8,032,741	2,304,319	2,611,030	7,199,944	35.68	4.43	247,232,907	.....	7.84	9.03
United States.....	94,818,000	63	7,342	462,529	2,580,360	19,324	3,405,205	79.20	11.90	52,496,559	New York.....	5.60	6.94

¹From reports gathered by the State Department from American consuls and published in H. Doc. No. 510, 62d Cong., 2d sess. The marked difference in July and November prices was occasioned by a shortage of over 1,000,000 tons in the 1911 sugar crop of the world, due to drought. In the original report of Consul General Griffith, of London, covering July, 1911, retail prices in London, the following quotations are given in United States cents per pound. In view of these quotations the London figure for July has been placed at 5 cents per pound.

²International Association for Gathering Sugar Statistics.

Centrifugal.....	6
Demarara.....	4-44
Demarara, finest.....	5
Granulated.....	4
Granulated, finest.....	5
Castor, fine.....	4-5
Castor, extra fine.....	6
Loaf, good.....	5
Tate's (loaf) No. 1, best.....	5-6
Tate's (loaf) No. 2.....	4
Tate's (loaf) "after tea cubes".....	6
Preserving.....	4-4-1/2
Iceing.....	6
Iceing, finest.....	6
Pure Porto Rico.....	8
Real West India.....	5
Sparkling lump.....	5
Double refined lump.....	5-6
Lump dust, sifted.....	4-4-1/2
Lump for preserving.....	4-1/2

³F. O. Licht for imports and exports of Germany, Austria-Hungary, France, and Belgium. Imports and exports of Holland and Russia, from Government official publications, calendar year 1910. Other figures from British Statistical Abstract, calendar year 1910.

⁴Otto Licht in Willett & Gray, Feb. 29, 1912, p. 92.

⁵British Board of Trade Reports.

⁶Official figures.

⁷Not any.

⁸8,702 tons from Dutch East Indies; balance, raw beet, both for refining and reexport.

⁹18,971 tons foreign; balance from French Colonial possessions.

¹⁰Lump and loaf. No quotations given for granulated.

¹¹Estimated.

¹²No data.

¹³Factories now under construction for 1912-13 campaign.

¹⁴11 per cent ad valorem.

¹⁵British Statistical Abstract, calendar year 1910; importations consisted of \$57,710 metric tons refined beet; 316,125 tons raw beet; 451,110 tons foreign cane, and 127,993 tons cane from British Colonial possessions.

¹⁶Five factories idle.

¹⁷Willett & Gray.

¹⁸Willett & Gray, calendar year 1911. Importations consisted of 489,974 tons from Hawaii; 285,128 tons from Porto Rico; 171,112 tons from Philippines; total insular, 946,214 tons free of duty; 1,431,888 tons from Cuba, with 20 per cent concession from full tariff rates; 202,259 tons of other foreign paying full tariff rates; total importations, 2,580,369. Adding to this the 292,699 tons of Louisiana and Texas cane, 514,993 tons of domestic beet, and 17,182 tons molasses and maple sugar, equals the total United States consumption of 3,405,204 tons.

¹⁹Willett & Gray, calendar year 1911.

²⁰Willett & Gray, Feb. 29, 1912, p. 92; calendar year 1911.

²¹Average rate of United States duty collected on all dutiable exports for fiscal year 1911, 1.346 cents per pound; but 2,049 tons imported at rate of \$11.50.

²²Fiscal year 1910-11.

²³The average New York retail price of 5.60 cents is derived by adding to the New York wholesale price of \$4.90, 79 cents per 100 pounds, which was the average cost of distribution and retailers' profit 1890 to 1907, as ascertained by the Bureau of Labor.

Mr. LODGE. There can be no complaint, therefore, of high prices in the case of sugar, and when the special committee, of which I was chairman, was examining into the question of wages and prices a few years ago it was found necessary to explain the fact that sugar had been falling while all other necessities of life had been rising. The explanation, of course, was that the supply of sugar outran the consumption, taking it over a considerable period of time. Even when there had been a shortage and a temporary rise in price the rise had not been enduring and the average price, taken by years or by decades, had been steadily downward. It can not be doubted that one reason for this decline is to be found in the development of the domestic sugar industry of the continental United States, which has reached some 900,000 tons, a very important addition to the world's supply.

Now let us see whether the American consumer has suffered in comparison with other countries. Early in July, 1911, the wholesale price of refined sugar in New York was 4.9 cents per pound, or 5.69 cents retail if we add to the wholesale price the 79 cents per 100 which was charged in New York for profit and cost of distribution during a period of 17 years, as shown by the Bureau of Labor. At the same time European retail prices of granulated as gathered by the State Department were as follows:

Hamburg, 5.9; Warsaw, 7.2; Vienna, 6.5; Paris, 5.9; Brussels, 5.4; Amsterdam, 8.7; Rome, 14; Stockholm, 8; Copenhagen, 5; Madrid, 12.2; Bucharest, 10.1; Belgrade, 8.7; Sofia, 7.2; Zurich, 5.1; Athens, 11.4; Christiania, 6.3; Finland, 8.9; Lisbon, 10.3; Constantinople, 5.1; London, 5.

It will thus be seen that sugar was cheaper in the United States than in the majority of the great European sugar markets. The difference between even London, the lowest, and the United States was comparatively very small—only 69 cents on 100 pounds. I ought to say that the figures for July, 1911, were taken before the great rise in prices, occasioned by the shortage in the world's sugar crop which developed later in that year. The average retail price of sugar in the United States from 1890 to 1907 was only 5.7 cents per pound, and the average price has been lower rather than higher since then. That which has kept the American sugar prices at this low level has been the home production—the cane sugar of Louisiana and the beet sugar of the West.

Now, what are we to gain if we are put on a free-sugar basis? In order to show the exact situation it is necessary for me to trace in some detail the history of the Brussels convention and its provisions, to which I have already alluded, for it is that convention which will govern the prices of sugar in the United States if our own duties are abolished.

The Brussels convention of 1902 was brought about, as I have said, by Great Britain after more than thirty years' effort on the part of the British Government. The purpose of the agreement was to save the British colonial raw-sugar industry and the sugar-refining industry of the United Kingdom from going into absolute decay through the ever-increasing competition of bounty-fed continental beet sugar.

Under government stimulation the production of beet sugar on the Continent of Europe grew from 200,000 tons in 1860 to 6,682,000 tons in 1901-2. Of this amount 3,043,000 tons were exported, and over one-half of Europe's total exports were dumped into the British markets, more than 1,000,000 tons of it being refined sugar ready for consumption. Under this fierce and unfair competition the price of sugar declined from year to year, dropping from 5.83 cents per pound for muscovados in 1860 to 1.91 cents for raw cane and 1.56 cents for raw beet sugar in 1902. The British colonial planter received as much money for one pound of old-fashioned low-degree muscovado sugar in 1860 as he received for three pounds of 96° centrifugal sugar in 1902. Besides receiving a ruinously low price for his product, the British colonial planter was being driven out of the British market. Great Britain imposed the same import duty on the product of her colonial planters that she imposed on foreign products, and under the European bounty system the odds were too great for the tropical planters to overcome. From 1887 to 1902, during which time the annual consumption of sugar in Great Britain increased 400,000 tons, the British imports of colonial sugar fell from 150,000 to 77,000 tons, and unless some change were brought about the extinction of the British colonial sugar planter seemed to be inevitable. The total sugar imports of the United Kingdom in 1901 were as follows:

	Long tons.
Unrefined beet root.....	500, 470
Unrefined foreign cane and other sorts.....	91, 655
Unrefined from British possessions.....	77, 230
Foreign refined beet.....	1, 062, 831
Refined from British possessions.....	214
Total.....	1, 732, 400

The condition of the British sugar-refining industry, once great and powerful and ranking above that of any other nation in the world, shared the same fate as the British colonial sugar industry, suffering not only from continental but from British legislation. When in 1849 the British import duty on sugar was reduced from 36½ cents to 5½ cents per pound there still remained a substantial difference in the duty on raw and refined sugar which served as protection to British refiners, and they were happy and prosperous. I could hardly believe, when I first saw it stated that the British import duty in 1839 amounted to 36½ cents per pound, that these figures were possible, but from a very careful and thorough examination of British duties, going back to 1660, I have had compiled a table which shows the rates of duty extending over a considerable period, from 1803 down to 1850. I ask leave to print it at this point, as it is a very interesting and instructive table.

The PRESIDENT pro tempore. Without objection leave will be granted.

GREAT BRITAIN.

Import duties on foreign raw and refined sugars, 1801-1912.

[Compiled by Truman G. Palmer, from Customs Tariffs of the United Kingdom from 1800 to 1897. British Board of Trade, 1907, ch. 8706.]

	Duty per hundredweight (112 pounds).			Equivalent duty per pound in United States currency.		
	"Foreign brown or muscovado."	"Refined sugar (foreign)."		Raw sugar.	Refined sugar.	Difference per pound.
	£. s. d.	£. s. d.	Cents.	Cents.	Cents.	
1660 ¹	0 7 4	0 17 0	1.60	3.70	2.10	
1685 (added 3d. refined; ½d. muscovado).....	7 4½	17 3	1.61	3.75	2.14	
Under William III, "doubled" (reigned 1689-1702).....	14 9	1 14 6	3.21	7.50	4.29	
Under Anne, "trebled" (reigned 1702-1714).....	1 2 1½	2 11 9	4.81	11.25	6.44	
1726 ²	1 0 10½	2 8 5½	4.54	10.53	5.99	
1737.....	1 10 0½	3 9 8½	6.54	15.17	8.63	
1774.....	1 17 10½	4 6 8½	8.24	18.55	10.61	
1782.....	2 5 3½	4 18 7½	9.86	21.44	11.58	
1787.....	2 5 6	4 18 8	9.89	21.46	11.57	
1801.....	1 14 0	5 3 7½	7.39	22.52	15.13	
1803.....	2 4 9½	6 14 4½	9.74	29.22	19.48	
1804.....	2 9 5½	7 8 4½	10.75	32.26	21.51	
1805.....	2 10 4½	7 11 2½	10.96	32.57	21.91	
1806.....	2 16 0	8 8 0	12.17	36.52	24.35	
From July 5, 1809.....	3 0 0	8 8 4	13.04	36.59	23.55	
1810:						
To May 5.....	3 0 0		13.04		20.30	
May 5 to Sept. 5.....	3 2 0	7 13 4	13.48	33.34	19.86	
From Sept. 5.....	3 1 0		13.26		20.08	
1811 and 1812.....	3 0 0	7 13 4	13.04	33.34	20.30	
1813:						
To May 5.....	3 0 0		13.04		20.30	
From May 5.....	3 3 0	7 13 4	13.69	33.34	19.65	
1814.....	3 3 0	7 13 4	13.69	33.34	19.65	
1816:						
To Sept. 5.....	3 3 0		13.69		19.65	
From Sept. 5.....	3 0 0	7 13 4	13.04	33.34	20.30	
1817.....	3 0 0	7 13 4	13.04	33.34	20.30	
1818.....	3 3 0	7 13 4	13.69	33.34	19.65	
1819:						
To May 5.....	3 3 0		13.69		22.83	
May 5 to Sept. 5.....	3 1 0	8 8 0	13.26	36.52	23.26	
From Sept. 5.....	3 0 0		13.04		23.48	
1820 to 1824.....	3 0 0	8 8 0	13.04	36.52	23.48	
1825, from Mar. 25.....	3 3 0	8 8 0	13.69	36.52	22.83	
1840, from May 15 (additional 5 per cent).....	3 6 1½	8 16 4½	14.38	38.35	23.97	
1845, from Mar. 14.....	3 3 0	8 8 0	13.69	36.52	22.83	
1846, from Aug. 18.....	2 2 0	3 3 0	9.13	13.09	4.56	
1848, from July 12.....	1 1 7	1 6 8	4.69	5.79	1.10	
1849, from July 5.....	19 10	1 4 8	4.31	5.36	1.05	
1850, from July 5.....	18 1	1 2 8	3.93	4.93	1.00	
1851, from July 5.....	16 4	1 0 8	3.55	4.49	.94	
1852, from July 5.....	15 2	19 4	3.29	4.20	.91	
1853, from July 5.....	14 0	17 4	3.04	3.77	.73	
1854:						
From May 9.....	16 7½	19 11½	3.62	4.33	.71	
From July 5.....	14 0	17 4	3.04	3.77	.73	
From Aug. 2.....	14 0	16 0	3.04	3.48	.44	

¹ 15 per cent ad valorem value, refined, £17 per hundredweight (112 pounds) (73.91 cents per pound), 5 per cent ad valorem=3.70 cents per pound; raw, £7 6s. 8d. per hundredweight (112 pounds) (31.88 cents per pound), 5 per cent ad valorem=1.60 cents per pound.

² 15 per cent ad valorem value, refined, £17 per hundredweight (112 pounds) (73.91 cents per pound), 15 per cent ad valorem=11.09 cents per pound; raw, £7 6s. 8d. per hundredweight (112 pounds) (31.88 cents per pound), 15 per cent ad valorem=4.78 cents per pound.

³ There is a discrepancy in these figures as compared with the figures derived in footnote 2. The figures in the table are "Rate of valuation on refined," £17, and the duty, 15 per cent ad valorem. Upon this basis the duty would be £2 11s. per hundredweight of 112 pounds (11.09 cents per pound), whereas the figures in the book are given as £2 8s. 5½d. per hundredweight of 112 pounds (10.53 cents per pound).

The "Rate of valuation on raw sugar" is given as £7 6s. 8d. per hundredweight. Upon the basis of 15 per cent ad valorem the rate would be £2 2s. per hundredweight (4.78 cents per pound), as shown in footnote 2, whereas the table in the book gives £1 10½d. as the 15 per cent ad valorem rate of duty on the valuation of £7 6s. 8d. How the original compiler of the British table arrived at these figures it is impossible to state.

The British pound sterling is figured as equivalent to \$4.87 in the above conversions.

Import duties on foreign raw and refined sugars, 1801-1912—Continued.

	Duty per hundredweight pounds.			Equivalent duty per pound in United States currency.		
	"Foreign brown or muscovado."			Raw sugar.	Refined sugar.	Difference per pound.
	£.	s.	d.	£.	s.	d.
1855, from Apr. 21.....	17	6		1	0	0
1857, from Apr. 5.....	16	0		18	4	
1864, from May 5 on refined, from Apr. 16 on raw.....	11	8		12	10	
1867, from May 1.....	11	3		12	0	
1870 to 1872, from May 2.....	5	8		6	0	
1873, from May 28.....	2	10		3	0	
1874, from May 1.....	(1)			(1)		
	96°.			98° and above.		
1901 to 1908.....	3	8	1/2	4	2	
1908 to date (1912).....	1	7	1/2	1	10	
				Cents.	Cents.	Cents.
				3.80	4.35	0.55
				3.48	3.99	.51
				2.53	2.79	.26
				2.45	2.61	.16
				1.23	1.30	.07
				.62	.65	.03
				.809	.902	.093
				.361	.401	.04

¹ Free to 1901.

NOTE.—Prior to 1801 sugar from British possessions was admitted to the United Kingdom at a lower rate of duty than that imposed on foreign sugar. Subsequent to 1801 the rate of duty has been the same, regardless of origin.

Mr. LODGE. In 1850 this difference amounted to 1 cent per pound. In 1864, at the invitation of the French, Belgian, and Dutch Governments, Great Britain joined an international sugar conference which met in Paris. As a result of the agreement reached at that conference Great Britain lowered her sugar duties, bringing the difference between raw and refined down to 26 cents per 100 pounds. The troubles of her refiners began at once, for from that time on her markets were flooded, first with French and later with other continental refined sugar, and by 1877 there was but one loaf-sugar manufacturer left in the United Kingdom. Notwithstanding the fact that reducing the differential between raw and refined had played such havoc with her own refiners and had transferred a large portion of the business to the Continent, so wedded were British statesmen to free trade that they continued to lessen the differential from year to year, and in 1874 placed both raw and refined sugar on the free list. As a result of continental and British sugar legislation British imports of refined sugar increased from 1864 to 1902 by leaps and bounds. In 1860, 98 per cent of the British sugar imports was raw sugar and but 2 per cent was refined. In 1911 but 39 per cent was raw sugar and 61 per cent was refined, the annual imports of refined sugar increasing from 18,000 tons in 1860 to 1,062,831 tons in 1901.

Meanwhile bounty-fed European sugars were displacing tropical sugars in the markets of the United States as well as in Great Britain. Several hundred thousand tons were coming in yearly, and in 1897 the United States importations of these sugars reached 932,000 tons. With the enactment of the Dingley tariff bill, in July, 1897, the United States countervailed against bounty-fed sugars, forcing them to pay into the United States custom-houses an excess duty equal in amount to the bounty advantages they received at home. In 1898 our imports of these sugars amounted to but 70,000 tons. Later they crept up to 350,000 tons, but they gradually faded away, and since our 20 per cent tariff concession to Cuba very little European beet sugar has been imported into the United States. The Indian markets also were flooded with European sugars, and in 1899 India followed the lead of the United States and countervailed against them, with results similar to those obtained here. The British Government considered the adoption of a similar measure, the advocates of it arguing that its adoption would not be a tax on sugar, but a tax on the bounties paid by foreign Governments and hence would not be an abandonment of the British free-trade policy. Their argument was met with violent indignation and heated controversy, and the plan was abandoned, leaving no means of relief save through an international agreement.

As Great Britain could see no other way to save her tropical raw sugar and her home sugar-refining industries without running counter to her policy of free trade, her only recourse was to force the continental Governments which paid sugar bounties to abolish those bounties. It would seem that the British Government could have done this at any time had she persisted, because of the fact that the bulk of the continental sugar exports were consumed in the United Kingdom, and if the continental Governments refused to enter into such an agreement Great Britain could have closed her ports to continental sugar. This she threatened to do, but never executed the threat. The continental Governments frustrated every effort to secure an international sugar agreement until they had so worked out

their economies that they could compete with the world. Then they signed the Brussels agreement, under which they abolished their bounties and kartels, and they since have been supplying the British market with sugar just as they were doing before, although the amount of the refined beet sugar imported was less and the unrefined was more. In 1910 the British sugar imports were as follows, the total imports from British colonies being but 130,000 tons:

	Long tons.
Refined beet.....	841,671
Unrefined beet.....	311,130
Total beet.....	1,152,801
Cane and other sorts.....	569,918
Total.....	1,722,719

The movement which resulted in the Brussels agreement of 1902 was started in 1872 by the British refiners. In 1875 the British Government succeeded in calling an International Sugar Conference at Brussels, but no agreement was arrived at. Again, in 1876 and 1877, an international conference assembled in Paris, but came to naught. In 1879 the House of Commons appointed a select committee to examine into every phase of the sugar question. This committee worked for two years, but nothing practical was accomplished and the agitation went on, finally resulting, as I have said, in the Brussels Convention of 1902. Under the terms of the convention the signatory powers—Germany, France, Austria-Hungary, Belgium, Holland, Spain, United Kingdom, Italy, Sweden, and Norway—agreed to abolish all bounties, kartels, and so forth, the result being that since that time it has been impossible for European sugars to be marketed at less than the cost of production and have the loss made up by the home government or kartel. Prior to the signing of the agreement British statesmen confidently expected that it would sound the death knell of European sugar exports and that the colonies would come into their own and supply the British people with their sugar. It gave the European sugar industry a temporary check, but that industry soon recovered the lost ground, and the present annual production is 50 per cent, or 3,000,000 tons, in excess of what it was when the Brussels Convention was signed.

British economists estimate that during the latter years of the bounty period the British people purchased their sugar for £5,000,000 less than the cost of production and that now, by reason of having to pay what the article costs to produce, it is costing them an additional \$25,000,000 a year for their sugar. As the industry in the colonies has not been stimulated to any important extent, some British statesmen favor withdrawing from the Brussels agreement, believing that if they did so the continental sugar-producing countries would reestablish the bounty system and thus save Great Britain \$25,000,000 a year. Other and more farseeing men realized that the main object of the continental statesmen, in paying export bounties was not a matter of benevolence nor was it because they so loved the British people that they wished to provide them with their sugar supply at a price \$25,000,000 below the actual cost of production. These English economists perceived that where Europe lost from twenty-five to fifty million dollars a year on their sugar exports they gained several hundred million dollars a year from the increased yield of other crops through rotating them with sugar beets. By repeated experiments the fact has been demonstrated that British soil produces a greater tonnage and richer beets than are produced in Germany, and farsighted British statesmen are in favor of encouraging the establishment of the beet-sugar industry in the United Kingdom in order to build up their agriculture and keep at home the \$120,000,000 which Great Britain annually sends abroad for the purchase of sugar. The present British sugar duty is but 39 cents per 100 pounds, but so confident are these men that the British people will change their attitude that within the last few months they have secured contracts for 3,500 acres of beets and have started the erection of a beet-sugar factory ten miles from Yarmouth and will begin producing sugar next autumn.

In 1801 Achard, the German chemist, who, as I have already said, discovered a method of extracting beet sugar and who erected the first beet-sugar factory in the world, asserted that British emissaries offered him \$30,000, and later \$120,000, if he would declare the process a failure. Shortly thereafter Sir Humphrey Davy, the eminent British chemist, published an article in which he stated that beet sugar was bitter and unfit for human consumption. Having fought the beet-sugar industry continuously for over a century, it would seem strange, indeed, if at last the British people should derive their sugar supply from British-grown beets.

With these facts before us nothing can be clearer than that if we abolish our sugar duties we shall be left at the mercy of the signatories to the Brussels convention. At the present

time the United States is conventional territory. The signatories have nothing to do in order to get control of the American market except to declare that the United States is not conventional territory, and thereby permit Russia, which possesses a great surplus of sugar, and other beet-sugar producing countries to pour their oversupply into the United States at any price they please. One year of that process would annihilate the domestic sugar industry of this country and probably reduce the production of our islands to a negligible quantity. Having thus destroyed American competition the signatories to the convention could then declare the United States again conventional territory, divide the sugar necessary for the consumption of the United States among themselves, and sell it to us at any price they chose to fix. It is not to be supposed for a moment that anything so obvious as this would be overlooked. The consumer of the United States might have a short period of slightly lower prices and that would be followed by higher prices fixed entirely at the will of a foreign combination. The price at which bounty-fed sugars can be poured into an unoccupied market is shown by what was done by the bounty-fed sugar of Europe in the English market before the Brussels agreement, and we are not left, therefore, to our unassisted imagination to foretell the outcome.

Who, then, in the United States, is seeking as a matter of personal interest to bring about the results which I have tried to portray? I mean what are the forces outside of Congress which are pressing for free sugar or for a heavy reduction in the rates? Certainly neither consumers, who are conscious of no rise in sugar prices, nor sugar growers, who naturally are not laboring for their own ruin. So far as I have been able to learn the movement for free sugar, outside of Congress, has come from two of the three great sugar refineries of the country, and from that source alone. We are accustomed in speaking of the "Sugar Trust" to mean thereby the American Sugar Refining Co., and for many years that company, having absorbed most of the lesser refineries, was fitly described by that phrase. Since those days of absorption there have grown up, however, two other refineries, those owned by the Arbuckles and the Federal Co., belonging to the Spreckels interests. These independent refineries differ in no respect from the American Sugar Refining Co. except that they are perhaps not so large. Although all three are rivals, their general and essential interests are the same. The American Sugar Refining Co. has not appeared in this campaign for free sugar, but the Arbuckles have warmly advocated free sugar, and the Federal Co. has spent money, employed agents and lobbyists, distributed broadcast throughout the country circulars filled with statements more or less false, and has urged the removal of the duties on sugar. It is therefore not amiss to consider briefly what the purposes of these philanthropists may be in seeking unselfishly and at much expense to benefit, as they assert, the people of the United States by giving them sugar free of duty.

The interest of the American sugar refiners in maintaining a tariff on sugar is confined to the difference between the duty maintained on imports of raw sugar—their raw material—and the duty maintained on refined sugar—their finished product; in other words, that portion of the duty known as the "refiners' differential." The refiners say that owing to the increased volume of business which would be brought about by lowering the price of sugar they gladly would give up their differential if they could but import their raw sugar free of duty. But this is not the whole story, and this consideration is not in itself of sufficient importance to account for the strenuous war which the refiners of the Federal Co. are making on the present sugar tariff. Their assertion that they are actuated by philanthropic motives and a desire to give the people cheaper sugar can be disposed of by a brief account of their methods of business during the past year.

In the summer of 1911 it became apparent that there would be a shortage in the world's sugar crop, and although, according to the records of the United States Treasury Department, American refiners were paying no more or but little more for raw sugar, the American Sugar Refining Co. advanced the price of refined sugar from \$4.90 in July to \$6.50 in October, the Federal Sugar Refining Co. increased it to \$7.25, and Arbuckle Bros. to \$7.50. Only in October, when the domestic beet sugar came into the market at \$6.50, did these refiners lower their prices in order not to retire from the market. (See Hardwick Hearings, pp. 3362-3363, 3364.) By December the price had receded to \$5.53, and Mr. Wallace P. Willett, the sugar expert of Willett & Gray, stated that but for the marketing of this domestic beet-sugar product the price of sugar in America would have gone higher than any other price we have seen. Mr. Willett said to the Hardwick committee:

The moment our American beet-sugar production became available on the market the rise stopped, and, owing entirely and totally to this

American production, refined sugars were a cent and a half lower than they were at the highest point. But for that American production we to-day would be buying sugar at the world's prices. (Pt. 37, p. 3084, of hearings.)

Until the domestic crop of beet sugar invaded the market, the refiners had a monopoly and fixed the price of their product at will. To what figure they would have increased the price of their product and the extra millions they would have made at the expense of the people had not the new crop of beet sugar broken their monopoly, it is impossible to say. It also is impossible to say how many extra millions the Federal, the Arbuckles, and other self-styled philanthropic sugar refiners realized before the marketing of domestic sugar interfered with their plans, but the annual statement of the American Sugar Refining Co. shows that their profits rose from \$6,380,302 in 1910, to \$14,083,054 in 1911, an increase of nearly \$8,000,000, which would not seem to indicate that philanthropy is their sole purpose.

To stop first the growth of and then destroy the present domestic beet-sugar industry is the real purpose of the refiners whether active or passive. The beet-sugar industry produces refined sugar for direct consumption, and therefore the volume of business of the sugar refiners necessarily is curtailed in proportion to the amount of domestic beet sugar produced. This domestic product has increased from 32,000 tons in 1898, to 600,000 tons in 1911-12, which means that the present output of the refiners is 600,000 tons per annum less than it would be if the domestic beet-sugar industry did not exist. But this growth of 1,800 per cent in 13 years, is only the beginning. If left to develop under present conditions, unhindered by constant tariff agitation, our domestic sugar industry soon will supply us with all the \$100,000,000 worth of sugar we now import from foreign countries. This is what the refiners see and fear. They fear it, because aside from a small quantity of maple and Louisiana raw, of all the sugar we consume, about one-fifth of all the sugar produced in the world, this domestic beet sugar is the only sugar which does not pass through the hands of the refiners and yield them a profit. For every ton of beet sugar produced for direct consumption, one ton less of imported raw sugar will pass through and pay tribute to the American refineries. A domestic product of thirty to forty thousand tons of refined beet sugar did not arouse the opposition of the refiners, but with an increase of 1,800 per cent in thirteen years the refiners realize that if the tariff on sugar be not disturbed, the domestic product will supplant all the foreign sugar we now consume and for which we pay other countries \$100,000,000 a year.

The refiners state that what they desire is free raw sugar, and they acknowledge that in their judgment free raw sugar would ruin the home producing industry. If they can not get free raw sugar, they want such a material reduction in the raw sugar duty as would crush the domestic industry, and do it just as surely as would free raw sugar. But failing to secure either free raw sugar or a material reduction in the duty thereon they desire some reduction, be it ever so small, for while a slight cut might not close our present beet-sugar factories it would discourage new capital from embarking in the industry. A slight reduction would accomplish this important purpose of the refiners almost as surely as would a great reduction.

Last year, according to their published statement, the profits of the American Sugar Refining Co. amounted to 45.7 cents per hundred pounds of sugar refined. It might be fair to assume that the net profit of operation in refining sugar averages 25 cents per hundred, and the profit on manipulation a like amount, but assuming that the total profits amount to only 25 cents per hundred, the present domestic beet-sugar product of 600,000 tons reduces the refiners' profits by \$3,000,000 a year, inasmuch as were it not for the domestic industry there would be 600,000 more tons of foreign sugar to be refined. Furthermore, as the present capacity of American refiners is one-third greater than their meltings, they would add this \$3,000,000 a year net profits without having to increase their plant investment and without increasing their margin between raw and refined sugar. In addition to this, there is the constant menace of further expansion of the domestic industry under present tariff conditions.

Our imports of foreign sugar last year amounted to 1,800,000 short tons, and if this also were produced at home the refiners' profits would be curtailed to the extent of \$9,000,000 more. The overhead charges of the refiners are the same as though they were running to full capacity, and it follows that if the domestic beet-sugar industry be expanded and the refining industry curtailed the expense of refining will be increased, and if the domestic industry be destroyed and the volume of the refiners' business thereby be increased by 600,000 tons, the expense per hundred pounds on their entire output would be materially reduced. But avoiding an additional loss of \$9,000,000 a year

through the further expansion of the domestic beet-sugar industry and adding \$3,000,000 a year to their profits through crushing the present industry, constitute only a portion of the profits which would accrue to the sugar refiners through placing raw sugar on the free list. With domestic competition destroyed, the refiners, unhindered, could and would increase the margin between raw and refined sugar, and an increase of 45 cents per hundred, such as they made under free raw sugar, would give them on our present consumption of 3,350,000 long tons an extra \$33,500,000 profit annually.

A difference of half a cent a pound might not be noticed by the average consumer, but an increase of that amount in the margin between raw and refined sugar means many millions to the refiners, as I will show.

In 1887, 18 of the 21 American refineries were merged into what was known as the Sugar Trust and capitalized at \$50,000,000. The New York courts enjoined the Sugar Trust from doing business in the State, and in January, 1891, its successor, the present American Sugar Refining Co. of New Jersey, was formed with \$25,000,000 preferred and \$25,000,000 common stock. During the evolution from trust to refining company raw sugar was placed on the free list and a bounty was provided for sugar of domestic production. Under this free raw-sugar bill of 1890 the refiners were able to increase the difference in price between raw and refined from 70 cents a hundred in 1890 to \$1.15 per hundred in 1893, an advance of 45 cents per hundred, while the American Sugar Refining Co. increased its capital stock to \$75,000,000, half common and half preferred. The increase in the margin between raw and refined sugar was reflected in the dividends paid on the common stock of the American Sugar Refining Co., which rose from 4 per cent in 1891 on \$25,000,000 to 21½ per cent in 1893 on \$37,500,000, their total annual dividend payments increasing from \$2,750,000 in 1891 to \$10,687,500 in 1893, a net increase of \$7,937,500. During the four years, 1890 to 1894, the total amount paid out in dividends by this one company amounted to \$27,125,000. This is what free raw sugar did for the refiners' stockholders in four years. Then followed an ad valorem sugar tariff, and during the seven years of free sugar and 40 per cent ad valorem (Oct., 1890–July, 1897) the American Sugar Refining Co. paid out \$48,500,000 in dividends. In addition to this, their annual statement of December 31, 1897, shows that they had \$25,000,000 in cash and bills receivable on hand, \$22,500,000 worth of sugar, and \$30,000,000 invested in other companies, a total accumulation of undistributed profits amounting to \$78,000,000, with debts of \$30,000,000, or a net surplus of nearly \$50,000,000, in addition to the distribution of a like amount in dividends during this seven-year period. On the basis of the duties levied in 1897, the loss to the Federal Treasury in sugar duties from October, 1890, to August, 1894, amounted to over \$240,000,000, and I have shown where 40 per cent of it went. In 1897 a duty of \$1.685 was placed on 96° raw sugar to protect and build up a domestic sugar industry and for the protection of the refineries the duty on refined was fixed at \$1.95. As a result of this legislation, while the refiners have not reaped such inordinate profits as they did under free sugar, they have prospered and, as I have stated, the domestic beet-sugar crop has grown from 33,000 tons to 600,000 tons, an increase of 1,800 per cent in thirteen years.

The so-called independent refiners who are denouncing the present tariff on sugar claim that they are fighting the trust, although aside from whatever interest it may have in the domestic industry, the interests of the trust—which refines three times as much sugar as the entire domestic industry produces—are identical with all other refiners.

Eleven years ago, when the domestic beet-sugar product amounted to something over 100,000 tons, the president of the American Sugar Refining Co. attempted to secure control of the domestic beet-sugar industry, for what purpose we can only surmise. He bought an interest in several companies, but death overtook him, and since that time much of this stock has been sold, and it appears that the policy of this corporation is to dispose of its remaining holdings as fast as opportunity presents.

Mr. Atkins, the present vice president and acting president of the American Sugar Refining Co., has been largely interested in Cuban sugar estates since his youth, and he does not approve of our developing a home sugar industry which in time might compel him to seek another market for his raw sugar. Mr. Atkins was a director of the American Sugar Refining Co. at the time its president proposed to secure an interest in some of the American beet-sugar companies, and he declares he opposed the policy from the outset. When before the Hardwick committee last year he gave the following as his reason for objecting (pt. 1, pp. 85–86 of the Hearings):

The beet-sugar business was a competitive business. It produced in the Western Territories, where our market lay. I say, "our market"—

I mean the market of the refiners, the various refiners. As that industry grew—and I foresaw that it would grow rapidly—I believed that it would reduce the volume of business, not only of the American Sugar Refining Co., but of all the refiners on the Atlantic coast; and although we had millions of dollars invested in the business there, we were building up a competitive business, one that would compete with ourselves, and one which was bound to get away from us; we could not control it in the end. I say, "we"—I had no connection with it; that was simply a business man's opinion.

As to the effect which the marketing of the 1911 crop of 600,000 tons of domestic beet sugar had on the price of sugar and on the refining industry, Mr. Atkins told the Hardwick committee (Hearings, pt. 1, p. 49):

All that beet sugar comes on the market at a certain season of the year. It is all produced in about three months' time. They all want to market it just as rapidly as possible, and in order to do that they come to the eastern points. California sugar comes into Chicago and the Michigan sugar into Buffalo and Pittsburgh, and eastern refineries—not only the American Sugar Refining Co., but the others—have to reduce or close down until the beet sugars are out of the way. Any refining that is done between the 1st of October and the 1st of January is done without any profit, and very often at a loss.

At present the American sugar refiners enjoy exceptionally favorable conditions, and their only fear lies in the further expansion of the domestic beet-sugar industry. So long as Louisiana and our insular possessions produce only raw sugar, which must pass through the hands of the refiners and furnish them a profit, they favor the expansion of these industries, especially because these sugars naturally seek the New York market, and the more that market is flooded the cheaper can the refiners secure their raw material. The pressure to sell these and Cuban sugars has become so great and so constant that the New York raw-sugar market ranges from 50 to 80 cents a hundred below the London and Hamburg markets, thus enabling American refiners to purchase their raw material at a lower figure than can British refiners. Naturally, the refiners welcome a glut of raw sugar, and just as naturally will they do everything in their power to discourage the expansion of a competitor which manufactures sugar for direct consumption, as does every beet-sugar factory in the United States.

In 1910, of the total meltings of 2,800,000 tons of raw sugar in American refineries but 72,000 tons were purchased at world sugar prices and in 1911 but 199,000 tons, the increase in 1911 being due to a shortage in the Cuban crop. These are all the foreign sugars on which the full rate of duty was assessed. Over two and one-half million tons of raw sugar with which our refiners are supplied either is free or comes in under a 20 per cent tariff concession, and for that reason seeks no other market. As a consequence, the New York market is glutted with sugar and the price ranges far below that of Hamburg and London.

On June 27 of the present year the London price of 96° Java sugar (c. i. f.) was \$2.61 per 100 pounds, while the New York price of the same grade of nonconcessionary sugar was but \$2.10 to \$2.13 per 100 pounds, a difference of half a cent a pound. The New York price of the same grade of Cuban sugar was higher by 34 cents, the amount of the 20 per cent tariff concession, and hence while the Cuban planter was receiving 34 cents a hundred more for his sugar than would a Javan or Santo Domingan planter in the same market at the same time, he still was receiving 16 cents a hundred less than the prevailing London price. By reason of having these free and concessionary sugars our refiners are able to maintain a difference in price between raw and refined of from 85 to 90 cents per 100 pounds, which is nearly double the difference maintained between these sugars by the refiners of foreign countries.

It might be said that if we were to have free raw and refined sugar it would be impossible for the American refiners to maintain a greater difference between raw and refined than is maintained by foreign refiners, even though the domestic industry were destroyed and the refiners had a complete monopoly of our market, as otherwise the foreign refined product would be shipped into our market, thereby displacing American refined sugar. With this theory I can not agree. In October, 1901, when the New York wholesale price of granulated sugar was 5 and the price of raw was 3½ cents per pound, the Missouri River price of refined was dropped 1½ cents per pound in one day, and for a time the extraordinary trade condition existed of refined sugar selling in interior markets at a less price than raw sugar was selling for in New York, where the price of granulated was maintained. The domestic beet-sugar crop had entered the market and the object of the localized cut was to compel the domestic producers to sell their sugars below the cost of production, and the probabilities are that any considerable imports of foreign sugar would be met with a temporary reduction at the port of entry, and if the cargo were shipped inland a localized temporary reduction would trail it wherever it might go. The American refiners, with a complete national marketing organization, would be able to discourage

foreign shippers not possessed of marketing facilities and their shipments would cease.

It is a business proposition, pure and simple, and in antagonizing the interests of the domestic sugar industry and endeavoring to prevent its expansion the refiners are doing what most men would do under like circumstances, though they might not claim to be actuated by philanthropic instead of selfish motives, and they might not stoop to pose under the name of an imaginary committee of wholesale grocers.

Some advocates of free sugar assume that such action would injure the refiners, but the only action Congress could take which would be inimical to their interests would be to raise the duty on raw sugar and thus stimulate the more rapid development of the domestic industry. As to tariff agitation looking to a lowering of the duty on raw sugar, the refiners not only welcome it, but instigate and conduct it, aware that even if the duty be not touched, such agitation will prevent millions of dollars from touching in and expanding a competitive business. A slight reduction in the tariff would discourage other millions and a material reduction or free trade in sugar would ruin the domestic industry and fortify them in their monopoly.

Grouping the several advantages which would accrue to the refiners by materially reducing the duty on raw sugar or placing it on the free list, we have the following seemingly good reasons for their activity:

(a) The construction of new beet-sugar factories would cease, thus removing their fear of losing \$9,000,000 a year, which they now make on refining 1,800,000 short tons of foreign sugar.

(b) The present beet-sugar factories would close, thus increasing the volume of business of the refiners by 600,000 tons a year and increasing their annual profits by \$3,000,000.

(c) As the refiners' overhead charges would not be increased by reason of the increased volume of business, the cost per 100 pounds on their entire output would be decreased.

(d) They would save the interest on the \$50,000,000 they now have to pay into the customhouses in duties.

(e) The removal of their only competitor which now forces them to operate their plants at a loss or close them down for 3 months out of 12, would give them a complete monopoly and enable them to fix and maintain prices at will throughout the year.

(f) It would enable them materially to increase the margin between raw and refined sugar without increasing the price of refined.

Considering the decreased cost of production, the increased volume of business, the lowering of interest charges, and the increased margin the refiners would be able to maintain between raw and refined sugar by reason of regaining a complete monopoly of the sugar industry of the United States, it is fair to assume that a favorable outcome to the war they are waging against the domestic beet-sugar industry will add \$25,000,000 to \$50,000,000 a year to their net profits, and our Federal Treasury would lose \$50,000,000 a year in revenue. A return to free raw sugar, a complete monopoly of the sugar business, and 21½ per cent dividends are the natural desires of the refiners. If we are to judge by the mass of free-sugar literature with which Congress and the country generally is being deluged, no one knows better than do the refiners that, however many millions they expend in their efforts, they will reap ample reward if they win. The beet and cane producing sugar industries are scattered through a large number of States and through our insular possessions. It is impossible for them to organize under one general head to maintain their position. The refining industry is operated in large units, and six men can form a cohesive body which will map out every detail of their business, from shaping tariff policies to regulating the price which 96,000,000 people shall pay for their product. It should be plain to the most simple that when the heads of an industry which turns out an annual product valued at over \$300,000,000 a year attacks a competitor, which forces it to run at a loss or close down for three months of the year, it is not done from philanthropic motives; and that permanently cheaper prices to the consumer are not to be secured by establishing a complete monopoly in the production of an article like sugar. As stated before, with such legislative conditions as enable American sugar refiners to purchase their raw material far below the world's price, their conditions are ideal, barring only the output of the domestic beet-sugar industry and its anticipated expansion, which can be stopped by securing even a modest reduction in the duty on raw sugar.

There seems, then, to be but one way by which the American refiners can be kept within bounds, and that is to maintain the duty on raw sugar and thus develop an independent home producing industry which will deprive the refiners of a monopoly of the business and a consequent control of prices. That, of course, which would be best for the refineries would be a heavy reduction of the duty on all sugars, sufficient to destroy the Louisiana cane and the beet-sugar industry and at the same time secure to the refineries an unassailable position in the American market. But, although less advantageous than this situation, it would still be highly profitable to them to get rid of the domestic industries, even at the price of absolutely free

sugar. Their margin of profit might be cut down by foreign competition, but the difference in ocean freights, the nearness of the Cuban sugar fields and the enormous increase of the gross sales would enable them to withstand European competition unless it was backed by bounties, which are now rendered impossible under the Brussels agreement. The control of the market of the United States from the Atlantic to the Pacific would be more than worth any sacrifice that they might be obliged to make if the refined sugars of Europe came in free. It is to be doubted, however, whether they would in reality be obliged to make any such sacrifice, for the industry is in so few hands that it would not be difficult for them to come to an agreement with the foreign syndicates.

Free sugar, therefore, and still more largely reduced duties on sugar, would be for the benefit of the American sugar refining companies and could by no possibility benefit anybody else. To give up the great domestic industry and throw away a large revenue without any sensible reduction in the price of the commodity seems a large price to pay for the purpose of increasing still further the profits of the three great refining companies of the United States.

Let me now recapitulate the propositions in regard to duties on sugar which seem to me clear:

First. That it is sound policy and has been recognized as of the highest importance for nearly one hundred years by the civilized world that a country should be at least measurably independent in regard to its supply of sugar and should have the means to furnish itself with that essential article.

Second. That it is the universal opinion of all civilized nations, of all economists and financiers, that sugar is an eminently suitable subject for taxation, providing a large revenue, easily and fairly collected, with the least possible pressure upon the individual consumer.

Third. That sugar is perhaps the one article of general consumption, the one great necessity of life, which has not shared in the general advance of prices which has taken place during the last fifteen years and which has been so much accelerated during the past five years.

Fourth. That the price of sugar in the United States is lower than in any other country in the world except England, Switzerland, Denmark, Belgium, and Turkey, and that the competition of the domestic industry is the principal cause of the low prices of sugar maintained within the United States.

Fifth. That the industry is of great value to the country, particularly the beet-sugar industry, which not only employs many thousands of people directly, but which is of incalculable benefit to the farmers, enhancing the value of their lands and increasing the general agricultural capacity of all those regions where the beet is raised for the purpose of making sugar.

Sixth. That the maintenance of the duties enables us to keep out the cheap surplus sugars of Russia and other countries which, if admitted free, would abnormally depress the price of sugar here and lead to the extinction of our own industry, and which at the same time would take from us the Cuban market, because we could no longer give the Cubans a preferential on their sugar. The removal of the sugar duties would also destroy to a large extent our trade with the Philippines, Porto Rico, and Hawaii, which has now reached the enormous amount of \$182,000,000 a year. We sell to Cuba products to the value of \$62,000,000 a year and take from her products to the value of \$106,000,000 a year, of which \$76,000,000 is sugar. Our total trade with the four islands amounts to \$351,000,000 a year, and that trade will be very largely lost, certainly very greatly reduced, by the removal of our sugar duties. In the face of such facts as these it is difficult to characterize the folly of such legislation as is proposed by the House bill or to portray the injury which it would bring to the people of the United States.

In dealing with this question I have not given any space to the consideration of labor costs, which have played such an important part in all our tariff discussions as to rates of duty, and my reason for this is that the question of labor cost is not a dominant factor in the case of sugar, although our costs, especially our labor costs, are far higher than anywhere else. I believe that there should be a duty on sugar, because, as I have tried to show, it is one of the best subjects for raising revenue that modern economists and financiers have been able to devise. I believe that this duty should be sufficient also to give reasonable protection and encouragement to the production of sugar within the United States, so that we may develop a home industry capable of supplying all our needs. It seems to me clear that it is of the utmost importance to the well-being of the Nation to be independent in regard to the production of this great necessity of life. I think the duty ought to be maintained at a point under which cane sugar can be grown profitably in Louisiana and Texas and beet sugar can be made with reasonable profits throughout all the vast region

adapted to the culture of the sugar beet. It seems to me that the reasons for a sufficient duty to attain these ends rest upon far broader grounds than most protective duties, strongly as I believe in the system of protection. Upon the evidence submitted to the committee and from such study as I have been able to give to the question, and from such examination of foreign and domestic authorities as I have been able to make, I am satisfied that the present rate of duty can not be materially lowered without seriously injuring the production of sugar in the continental United States. It is to that protection that we owe the very moderate prices at which sugar has been sold during many years, a price which has not shared in the advance common to almost all other articles in our food supply. I am satisfied for the reasons I have already given that the destruction of our cane and beet sugar industries in the continental United States would result not only in an advance in the cost of sugar to the American people, but would put us at the mercy of a foreign combination among the beet-sugar producers of continental Europe. If we lower the present duty below 1.68 cents, we bring the Cuban rate, which is really the rate with which our production has to compete, below 1.34 cents. If we go much below 1.34, we shall, in my opinion, destroy our cane-sugar production in Louisiana and prevent its development in Texas. If we go still further we shall arrest the development of the beet-sugar industry, and in the course of a very few years of progressive reductions we shall begin to diminish our beet-sugar production until it is finally extinguished. If we should adopt the 33 per cent reduction suggested by the Democratic minority in the Senate, we should destroy the cane-sugar and the beet-sugar production of the United States as completely, if not quite as quickly, as by the absolute abolition of duties proposed by the House.

But I draw the line at the rate needed for the protection of the Louisiana cane sugar. That is an American industry carried on for many years under much difficulty and discouragement, but now, in my opinion, at the point of improvements which will enlarge it and make it more profitable than it has ever been in the past. I am against any reduction which will seriously endanger that Louisiana industry. The State of Louisiana has never given any support to the party to which I belong, but I can not bound the policy of protection, in which I believe, by State lines or by political or geographical divisions. The people of Louisiana are my fellow citizens. They are Americans. I believe they are entitled, no matter what their political views may be, to the same protection in their industry that every other industry should have, unless the protective system is to be destroyed. I confess that at the present moment I feel for those people a peculiar sympathy. The appearance of the boll weevil has proved almost fatal to the production of cotton in certain parts of Louisiana, where, if I am correctly informed, owing to climatic conditions, it is less easy to combat that pest and less possible when it appears to raise even a partial crop of cotton than in other regions which have been afflicted by the ravages of the same insect. Undismayed by their misfortunes, many of those people, obliged to abandon the cultivation of cotton, turned to the production of sugar. They found at once that they were not sufficiently supplied with factories to extract the sugar from the cane, and nearly one-third of that crop was consequently lost. With a courage and determination which does them the greatest credit they went to work to raise the money required to build the necessary factories. While they were thus engaged the present House of Representatives passed the bill placing sugar upon the free list. The blow fell upon those people in Louisiana with crushing effect. It became impossible to go on with the construction of the necessary factories and more than that it demoralized, for the time being, many industries which depend upon sugar production, for which they furnish tools, machinery, and supplies. Many hundreds of men, according to the testimony before the committee, were in this way thrown out of employment. While they were staggering beneath this blow the terrible flood from the rising Mississippi came upon them. The Federal Government, I am happy to say, stretched out its strong hand to aid them in that hour of distress, but Mr. President, it would be a far greater aid if we did not select this moment to take from them even the hope of reviving the industry upon which they depend. To pass legislation of this kind at this moment, whether in our opinions we are free traders or protectionists, is nothing short of cruel. I am utterly opposed to any serious reduction of the sugar duties, moderate as they now are, at any time, and if I were able I should like to give to the sugar makers of the United States the assurance that there should be no change in the rate for a period of at least ten years. If that could be done the sugar industry would advance with leaps and bounds, unless all facts and all evidence are false. But apart from this policy, in which I believe, it seems to me that at this time, under these conditions, to smite down

that struggling people by removing the duties which give them their only hope of recovery is a wrong which we ought not to inflict upon any community of Americans, and especially upon a community which is bravely fighting against a succession of adversities rarely experienced by any people. I venture to think that in urging the Senate to leave the sugar duties as proposed in the bill of the committee, whether it is right economically or not, upon which men may differ, I am pleading for a broader principle—that of ordinary humanity to a great body of American citizens, weighed down by misfortune and striving with brave hearts to retain their homes and maintain their industry. It may be illogical to make this appeal for the planters of Louisiana. I had never thought of their condition down there until it was brought to my attention in the Finance Committee and I heard the facts, heard their voices, heard their story, and found what they were suffering. My plea may not be in accordance with the doctrines of that free-trade political economy which Carlyle called the "dismal science," but it is in harmony with that human sympathy without which this world of men would indeed be dark and grim to all who dwell within its confines.

Mr. WILLIAMS. Mr. President, I have listened, as has everybody within the Senate Chamber, with a great deal of pleasure to the elegant diction of the Senator from Massachusetts [Mr. LODGE]. I have listened with interest to the pathetic picture which he drew of the demoralization of people and the destruction of their property in Louisiana, not by the passage of a law putting sugar upon the free list but by the passage of a bill through the House of Representatives which has never gone upon the statute books. I am at a loss to see how it could have produced any demoralization or suffering under those circumstances.

The minority of the Senate Committee on Finance have submitted an amendment to be proposed as a substitute for the House bill which sought to place sugar upon the free list. I want to explain briefly the characteristics of that bill and make a comparison between the duties proposed under it and the duties which now constitute the sugar schedule of the Payne-Aldrich bill. Before doing so, however, I shall answer some few things said by the Senator from Massachusetts.

The Senator from Massachusetts has told how the cultivation of sugar beets improves the soil for other crops. There is no doubt about that proposition. There is also no doubt about the fact that where sugar beets have not been raised, to wit, in England, the production and the increase in the production per acre of wheat and of all other crops is greater than it is upon the Continent—in Germany, France, Austria, and Russia—where sugar beets have been raised, showing that, so far as intensive farming, diversified farming, and the improvement of the soil are concerned, there are other methods of farming which improve the soil very much more. The yield of wheat in Great Britain is 32 bushels to the acre; in the United States during the year when that yield was made in Great Britain the yield was about 13 bushels to the acre upon the average throughout this country; the yield in France was next to that of Great Britain; and the yield in Germany next to that of France.

The Senator from Massachusetts says that if sugar were placed upon the free list—and, by the way, there is not the slightest anticipation in the mind of any intelligent man that it will be placed upon the free list, not even if a Democratic Senate and a Democratic House and a Democratic President come into power—but he says that if sugar is placed upon the free list certain dire results would follow. He drew a picture of the result to the industry itself. In that, I presume, he is partially justified. Then he went on to say that after sugar was placed upon the free list the American people would enjoy a short period of cheap sugar or low-priced sugar, and that then they would be handed over to the mercy of the signatory powers to the Brussels Convention, which would raise the price of sugar to any figure, however great, that they might choose to fix. It is strange how plain a statement of obvious facts will put that conclusion down.

Great Britain has no duty upon sugar, and the signatory powers to the Brussels Conference have never been able to demand "any price that they choose" in Great Britain. On the contrary, as a rule, sugar has been cheaper in Great Britain than anywhere else. It follows, of course, that if the fact of free sugar could enable the parties to the Brussels Convention to rob and exploit the American people, the same conditions would have enabled them to rob and exploit the people of Great Britain.

Mr. President, we are not attempting to put sugar upon the free list at this time. I myself agree that it ought not to be placed there. I agree with the Senator from Massachusetts when he says that sugar is one of the best subjects upon which to raise revenue. It has been found so not only in this country,

but in all other countries, and, as a tariff-for-revenue Democrat, I would not be willing to surrender it as a subject for raising revenue for the Government. I think a mistake was made when the House proposed to surrender totally the fifty millions now raised in that way.

I shall refer to one other statement made by the Senator from Massachusetts, and after that I shall go on with the discussion of the bill which we propose. Not he alone, but many people make misleading statements as to the protection extended to their sugar producers by foreign countries upon sugar. For example, it has been stated here frequently that Germany gave a protection to her producers on raw sugar of \$1.98. This is not the case. The conclusion is arrived at in this way: They add to the 47 cents German rate of duty the consumption tax levied both on foreign and domestic sugars of \$1.51, and they get \$1.98; but they neglect to tell you that the German producer and, ultimately, the German consumer also pay the consumption tax of \$1.51; so that that is not a protection in any sense at all, and the real protection is only 47 cents per 100 pounds, this being the surtax. Not only does the imported sugar pay the consumption tax, but the home producer of sugar, as well, pays the consumption tax in Germany.

Mr. President, the Senator from Massachusetts and I, in replying to one another here, will be largely fighting windmills, because his argument has been made mainly against free sugar. The minority members of the Finance Committee—

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. WILLIAMS. I do.

Mr. SMOOT. I may have misunderstood what the Senator said with relation to the German duty upon sugar, but I understood him to say that the German duty upon sugar was only 47 cents a hundred.

Mr. WILLIAMS. I said that that was the real protection. The duty is \$1.98, but \$1.51 of that is a duty which is also levied upon sugars of German production.

Mr. SMOOT. That, Mr. President, is only the consumption tax. The 47 cents is the surtax. The consumption tax of \$1.51 applies to all sugar that may be imported into Germany—

Mr. WILLIAMS. Yes; and to all sugar produced in Germany, too.

Mr. SMOOT. Making the duty upon German sugar \$1.98, exactly as the Senator from Massachusetts has said.

Mr. WILLIAMS. But the rate of protection is only 47 cents, because the home production of sugar also pays the \$1.51 tax.

Mr. SMOOT. The protection is \$1.98.

Mr. WILLIAMS. It is not; the rate of the tax on imports is \$1.98, but, as \$1.51 of it is not only paid as a tax on imported sugar but is also paid upon home-produced sugar, it is not fair to count it as a protection to the home producer.

Mr. SMOOT. Why, Mr. President, if they did not have the \$1.98 protection, foreign sugars could enter Germany at 47 cents; but the fact is that no sugar can enter Germany without paying a tax of \$1.98.

Mr. WILLIAMS. Absolutely; and I have stated that three or four times.

Mr. SMOOT. Then, Mr. President, the actual protection is \$1.98.

Mr. WILLIAMS. But the actual protection is not, because \$1.51 of the \$1.98 is a tax which is paid by the home producer of sugar himself, and therefore the difference between that and the \$1.98 is the real measure of real protection.

Mr. SMOOT. Mr. President, the Senator from Mississippi would have a hard time convincing of that fact the German people or any one exporting sugar into Germany.

Mr. WILLIAMS. Oh, Mr. President, when the Senator from Utah thinks he is thinking sometimes he says things that have very little weight. I am not talking to the German people, and it is not a question of convincing them of anything. I am talking about the real measure of protection which the German sugar producer receives. Now, it follows necessarily—a school boy can see it—that if a part of the import duty is counter-valued, compensated, and equalled by a tax at home upon the home production, there is no advantage to the producer in that much of the tax. The German duty upon imported sugar is \$1.98. One dollar and fifty-one cents of that amount is a tax upon consumption, which is paid also by the home producer of beet sugar, and therefore as to this \$1.51 tax his sugar has no advantage over the sugar of foreign production imported into Germany. I do not know whether I would have a hard time convincing the German people of that or not, but if I did have a hard time to convince them of that they would have to be

more stupid than they were when I used to associate with them when I lived and studied among them.

The bill which we offer, and which I wish to explain, as an amendment in the nature of a substitute to House bill 21213, which is the House free-sugar bill, differs from the existing law in these respects: First, it abolishes the No. 16 Dutch standard test entirely; it also abolishes the differential entirely.

I want to congratulate the Republican Party, and especially the Senator from Massachusetts [Mr. Lodge], upon the fact that it has finally dawned upon the Republican mind that the Dutch standard is a legislative joker and a fraud, and that the differential is an unfair special privilege granted to a great trust. It has dawned upon their minds so impressively that they have themselves to-day brought in a bill abolishing the Dutch standard and abolishing the differential. The country may well congratulate itself that they have come to that position. The country can regret that they took so many years to find it out, but it is better late than never.

Now, if I understand the bill proposed by the majority members of the Finance Committee, it makes no change in existing law, except to abolish the number 16 Dutch standard test and the differential and to introduce the following provision, which is new legislation.

We abolish in our bill the differential and the Dutch standard and do not substitute for it this provision. This provision is in itself a legislative joke. That provision in the Lodge bill, the bill of the majority members of the Finance Committee, is this:

Provided, That every bag, barrel, or parcel in which sugar testing by the polariscope less than 99° is packed shall be plainly branded by the manufacturer or refiner thereof with the name of such manufacturer or refiner, and the polariscope test of the sugar therein contained, accurately within one-half of 1°, and a failure to brand any such bag, barrel, or parcel as herein required shall be deemed and taken to be a misbranding of food within the meaning of the act of June 30, 1906, entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes."

Then follows this language—and I call the careful attention of Senators to it:

And the requirements of this proviso shall not apply to any sugar shipped or delivered to a refiner to be refined before entering into consumption.

Here is a burden laid upon the entire sugar business, except that it is carefully not laid upon the sugar refining company—the Sugar Trust. Whatever that burden may cost sugar producers, little or great, the Sugar Trust and the great refining companies are exempt from it.

In addition to that, it is unfair in this, that it favors beet sugar at the expense of cane sugar, because no beet sugar is ever bought for the purpose of being sent to a refinery to be refined in the United States. In some other countries it is the case, but in the United States the beet sugar is turned out in a refined condition from the factory itself. So you burden the Louisiana raw cane sugar; you burden cane sugar generally. It does not burden beet sugar because beet sugar is not sold to be refined. You burden cane sugar with this provision from which by the nature of the case beet sugar is exempted, and then, furthermore, in the proviso you exempt all sugar bought by refiners. While abolishing the differential, they have been careful to put in another unfair advantage to the great refining companies, instead of this unfair differential which they abolish and for the abolition of which they claim great latter-day credit to themselves.

The Senator from Massachusetts, in calling attention to his measure, did not call attention to this proviso and exemption of the measure itself, but engaged in a general discussion of the measure outside. The bill proposed by the minority members—

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. WILLIAMS. Yes.

Mr. SMOOT. I merely wanted to call attention to what may be termed the branding provision that the Senator just spoke of.

Mr. WILLIAMS. I just read it to the Senate.

Mr. SMOOT. Yes. It says:

And the requirements of this proviso shall not apply to any sugar shipped or delivered to a refiner to be refined before entering into consumption.

Now, that is not to lay a burden upon the cane grower of this country, because if his sugar is shipped to a refinery to be refined he is not required to brand it under the provisions of this law. He does not have to brand it if it goes to a sugar refinery to be refined, and I can not see what burden we are laying upon the cane grower under that provision.

Mr. WILLIAMS. The language of the provision is this. I will read it again:

Provided, That every bag, barrel, or parcel, in which sugar testing by the polariscope less than 99°—

Shall be plainly branded, and so forth.

Mr. SMOOT. Does not the Senator know that all Louisiana cane raws are less than 99°?

Mr. WILLIAMS. I know that, but sugar above 99° is not required to be branded.

Mr. SMOOT. Nor is any other, where it is to be shipped to a refinery to be refined.

Mr. WILLIAMS. I do not want to take up the time of the Senate any longer than I am compelled to. Everybody is tired. I read the language to the Senate, and I trust to the intelligence of each Senator to understand it.

Now, the bill introduced by the minority members of the Finance Committee differs, as I was going on to say, with existing law in certain particulars. Two of those I have mentioned.

I come now to the tax itself. The reductions of duty under the proposed substitute are 33½ per cent upon sugars and 40 per cent upon molasses.

Under existing law sugars not above 16 Dutch standard in color, tank bottoms, and so forth, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75 degrees, are taxed ninety-five one-hundredths of 1 cent per pound. Under the substitute, if it become a law, the same sugars would be taxed sixty-three one-hundredths of 1 cent per pound. Under existing law for every additional degree shown by the polariscope test the tax is thirty-five one-thousandths of 1 cent per pound; under the proposed substitute the tax would be twenty-four one-thousandths of 1 cent per pound.

This tax of twenty-four one-thousandths of 1 cent per pound upon each additional degree of polariscope test continues under the substitute clear through to the end. Under the existing law when sugar which has gone through a process of refining was reached a tax of 1 cent and ninety one-hundredths of 1 cent per pound was levied.

Our increase per polariscopic test is uniform and continues throughout and makes no jump, and it is in that way that the so-called differential is abolished.

Under existing law molasses not above 40 degrees is taxed 20 per cent. We tax it under the proposed substitute 12 per cent ad valorem. Molasses testing above 40, and not above 56 degrees, is taxed under existing law 3 cents per gallon. We would tax it 1½ cents. Maple sugar and maple sirup under existing law is taxed 4 cents per pound. We would tax it 2½ cents per pound. Glucose or grape sugar or sugar cane in its natural state or unmanufactured is taxed under existing law 20 per cent ad valorem, and we would tax it 17 per cent. Sugar candy and all confectionery, and so forth, not provided for especially under existing law, valued at 15 cents per pound or less, and sugars after being refined, when tintured, colored, or in any way adulterated, are taxed 4 cents a pound, and we would tax it 2½ cents per pound; in addition to that, there is on all those articles an ad valorem duty of 15 per cent which we reduce to 10 per cent, and where they are valued at more than 15 cents per pound the existing law fixes a tax of 50 per cent, which we reduce to 33½ per cent.

Now, a few words generally in explanation of why the minority members of the Finance Committee were not willing to put sugar upon the free list and thought that this reduction was about right. That it is not too little of a reduction both factions of the Republican Party confess. One of them confesses it by contending that there ought to be no reduction at all and the other faction will confess it by offering a bill which will make a reduction of about 22 per cent instead of a reduction of 33½ per cent. Both factions, therefore, of our political antagonists confess that we have made a reduction sufficiently ample.

In fact, both of them contend that our reduction is too great. We did not think that it was just and right in carrying out Democratic doctrine as expressed in Democratic platforms, which have demanded that we should proceed toward a revenue basis gradually, to make at one fell swoop overnight a reduction upon this particular product of 100 per cent. We were reinforced in that conclusion by the action of the House of Representatives with regard to all the other schedules concerning which they have sent us tariff-revision bills. They have made a reduction upon the other schedules of about what we propose to make upon the sugar schedule. We have followed their footsteps with regard to other schedules and therefore have paid more real heed to their own convictions—if these bills express their own conviction—than the House itself did.

I do not believe in the doctrine some Democrats seem to believe in, that because somebody somewhere by legislation robs

the consumer for his benefit we ought to keep upon a ground of equality with the wrongdoer by robbing the consumer of our products for our benefit; but I do take the position that in reducing tariff taxes, as in doing anything else in this world, people ought to deal fairly. I have not seen why it was right or why it was necessary or fair to single sugars out rather than woollens or cottons or chemicals or anything else for the purpose of putting it upon the free list.

I do not agree with the Senator from Massachusetts that sugar is an absolute necessary of life. People can live without it. But I do agree that it is a comfort which enters into every household, and for that reason it ought to be taxed as little as possible, consonant with revenue necessities and consonant with existing conditions.

I have sympathized somewhat with the view of the Senator from Massachusetts that this peculiar moment, while the people of Louisiana are suffering from the Mexican boll weevil and recently trying to recover from sufferings by the devastation of floods, was not a particularly happy moment to select for putting sugar upon the free list even if it would otherwise have been just and wise treatment.

But we have been led to our conclusion mainly by the consideration that with a reduction of 33½ per cent from present duties we then will be upon a revenue basis as to sugar.

We believe that after five or six years with that reduction—in a few years, at any rate—the United States Government will be collecting even more revenue than it is now collecting from sugar duties. We will be untaxing the consumer and at the same time supplying revenue for the Government. This increase of revenue will follow because the reduction in the duty will cheapen the price of the product. Cheapening the price of the product will increase its uses, increase the demand, and will result in increasing its production as well as its importation.

Another reason moving us was, as the Senator from Massachusetts says, that sugar is peculiarly a good subject for revenue. We put \$50,000,000 a year into the United States Treasury from sugar. Whatsoever import duties return an actual revenue to the Government can not be said in a certain sense to have been taken away from the people, because the Government's Treasury is the people's Treasury, and what the people have paid upon their consumption is still at their behoof for military, naval, interior improvement, and other governmental purposes. A great majority of the tax levied upon sugar—the major part, I should say—goes into the Treasury, and only a minor part of it goes as largely by operation of law into the pockets of the producer; whereas the statute book is full of import duties upon other articles, in some cases where all of it, the duty being prohibitory, goes into the pockets of the producers as a favored class, and in some cases where nine-tenths goes into the pockets of the producers and only one-tenth into the Treasury of the United States for the use of the people who pay the tax. In a vast number of cases—I very nearly said a majority of the cases, but I am not sure that would be correct—the major part of the tax goes into the pockets of the producer and a minor part goes into the Treasury of the United States. That is the next reason why, as tariff-for-revenue Democrats, we have thought this bill preferable to the House bill.

Mr. President, I hope this bill will pass the Senate. I hope it will be concurred in by the House. I hope it will be signed by the President; but if the bill does not pass the House I hope that some bill reducing the duties upon sugar may pass.

I understand that a Republican Senator has a bill reducing duties about 22 per cent. If we can not get the 33½ per cent reduction, which I think is fair and which I think would not hurt anybody, we should like to have the 24 per cent reduction in the interest of the great consuming public. Even the Lodge bill offered by the majority members of the Finance Committee is a real improvement on existing law, and is welcome as a demonstration of a late but promising change of heart.

I do not believe that a reduction of 33½ per cent of the present sugar rate will hurt a single beet-sugar enterprise in the United States. I believe that any man who will study the hearings before the Finance Committee and will study the public statistics and records of beet-sugar production, the business having grown enormously, showing that it must be highly profitable—in some cases it has been reported that some of the sugar factories paid for themselves within five or six years after they were erected—and who will study the enormous profits which many of them have been making, because those factories are well equipped and well managed and well administered—and the reason most men do not make money in their business is because they do not manage their affairs well—would conclude that this legislation would not seriously hurt any fair business.

I am a little bit afraid that so far as the Louisiana cane producers of sugar are concerned, when you come to those producers out on the outer edge, who are not handling their affairs well, who are not up to date, some of them may be hurt.

I am sorry that that should be the case, but laws ought not to be made for the ragged edges of an industry. They ought to be made, even by protectionists, for the industry taken by and large and not for its exceptions. If we had a duty of 100 per cent on sugar and were to reduce it to 75 per cent, I have no doubt that some few people, managing their business very badly and barely managing to live with 100 per cent, would have to go out of business. I have no doubt that that is true of every other industry as well as sugar, of wool and cotton and everything else. But to carry the doctrine of protection to the absurd point of wanting it to be high enough to protect the carelessly and ill managed enterprises is carrying it too far.

I do not think it will hurt any well-managed Louisiana cane-sugar producer. If it did hurt some of them, if in hurting them—and they were few—it had benefited a vastly greater number of American citizens, it would stand justified according to my political philosophy. But I do not believe it will, and I am confident that it will not hurt any of the others.

I think we ought to follow the precedent, time honored, when we have got a good revenue subject of keeping a duty upon it for the purpose of raising revenue for the use of the people, to be expended from their Treasury, and we ought to pay some heed not only to the recently announced Democratic platform, but to the one announced at Denver. Both of them say that we shall proceed toward and to a revenue basis gradually.

No man who has good sense, no man who has good feeling, will refuse, when undertaking any great reform, to consider present conditions, nor will he neglect to note in many cases that present conditions, if they are bad and to be remedied by legislation, were produced by legislation. People were induced by law—tariff laws—into artificial, naturally unprofitable pursuits. I mean by that pursuits that would not have been profitable save for the operation of law. They have been induced into them, and some regard, I think, ought to be paid by any sensible man to that fact, as some regard ought to be paid to all facts. So far as I am concerned, a fact is about the only thing in the world that I reverence. I never try to tunnel under it. I never try to jump over it. I never try to walk around it. I just bow to it and confess that it is there.

This is the condition of the sugar industry now. It seems to me it is a great pity that the duties have been kept so high for so long a time. So far as the Louisiana cane-sugar producer is concerned he, years ago, by insisting upon this high duty, cut his own throat—that is to say, if his throat is to be cut at all.

Now, how did he do it? You can not take cheap, inefficient, unintelligent colored labor and compete with the most intelligent, enterprising, energetic, and inventive white labor of the world. You can not do it. If the sugar duty had been fairly right and not too high, the Louisiana cane planter could have gone on forever making a reasonable profit in the sugar production, but the Republican Party and the cane men together managed to make it so high that it hothoused into existence a sugar-beet business, and the beet-sugar business, without the aid and operation of law, would have had difficulty in finding a beginning.

They have by this course built up for themselves, therefore, a competitor—that which will devour them. It is as certain as two and two make four that intelligent, enterprising, thrifty go-ahead, energetic, inventive white labor raising sugar beets in an American country can compete with any labor anywhere in the world engaged in that sort of business after they once get a foothold. They have now got that foothold and could stand to-day, so far as they are concerned, without a dollar of tax and make money and continue to make it; and they will stand as day follows day in a better and better condition, because they will improve the beet itself as to its saccharine contents, and they will improve their machinery. They are making their own machinery now, not buying it from abroad, and some people abroad have come here and bought it from us. American invention has gone to work upon it. They are not only able to stand by themselves in competition with the world, but at the same time in the future Louisiana will find that she has to change either the character of her labor or she will find her task of entering into competition with the American beet-sugar producer a hopeless task—absolutely hopeless. American white labor can raise sugar beets just like it does potatoes, like it does corn, like it does wheat, or any other farm product, in competition with anybody on the surface of the earth. They have demonstrated that they could do it. It is a farming process after all.

Mr. MARTINE of New Jersey. And I want to add that it is very unlike the product of corn and potatoes. They deplete the soil. The cultivation of the sugar beet adds to the fertility of it. So it is a benefit, even.

Mr. WILLIAMS. I have noted that point before. But sugar-beet raising is not the best way of keeping up the soil.

Mr. MARTINE of New Jersey. It will keep up and add to its fertility.

Mr. WILLIAMS. It does undoubtedly add to the fertility of the soil, but not as the raising of alfalfa or cowpeas, I mean any leguminous product, that puts enrichment into the soil does. The fact that it is not the cheapest and best way of enriching the soil is demonstrated by what I said some time ago when the Senator from New Jersey was not here. In Great Britain, where they do not raise any sugar beets at all, the production has increased per acre more than it has either in France, Germany or Russia, and the actual production per acre of every product is greater than it is in any of those countries which are raising sugar beets. But the sugar beet does enrich the soil.

Mr. TOWNSEND. Did I understand the Senator from Mississippi that the raising of beans also enriches the soil?

Mr. WILLIAMS. I said any leguminous plant enriches the soil. It puts nitrogen into the soil, taking it out of the air.

Mr. TOWNSEND. That is an agricultural fact that I think the country generally has not come to appreciate. We have felt that the raising of beans perhaps impoverished the soil about as much as any plant or product that we could produce.

Mr. WILLIAMS. It is an old and familiar fact known to every farmer that any sort of leguminous plant, and among them are cowpeas, alfalfa, red clover, anything of that sort, does take nitrogen out of the air and put it into the soil.

Mr. MARTINE of New Jersey. Infinitely good products are clover and cowpeas if they are plowed under as a fertilizer.

Mr. WILLIAMS. I do not want to get into a general agricultural argument, but I every year and my people have been enriching their soil by planting cowpeas and then cutting the peas off for hay, and the roots and the little that is left have enriched the soil because the little bug or microbe that is on the tubercle of the pea brings nitrogen into the soil.

When you cut off the peas the soil has been enriched both chemically and mechanically; that is, chemically by the process of putting nitrogen into the soil and then mechanically by the pea roots going away down and making the soil to a large extent porous so it takes the water down and gives the water up more easily to other plants.

Mr. TOWNSEND. I quite agree with the Senator from Mississippi if the products raised are given back to the soil, but that is not true of the bean crop. When the bean crop is produced the beans are pulled root and branch and so everything has to be taken off, and there is nothing that destroys the fertility of the soil so much as the raising of beans, at least no crop with us, because no part goes back into the soil.

Mr. WILLIAMS. Perhaps I have been misunderstanding the Senator. Is he speaking of beets?

Mr. TOWNSEND. Of beans.

Mr. WILLIAMS. That is all right. We will leave that out because it makes no difference. It is not relevant to this anyhow. I do not want to deliver an agricultural lecture. The way in which beets improve the soil is not owing to the fact that they put anything in it, as legumes do, but it is owing to the fact that there must be such splendid cultivation for beet raising, such intensive cultivation, such splendid care given to the soil, that it improves the character of the soil mechanically, and not in the way that cowpeas or alfalfa do, by direct addition of chemical properties.

Mr. President, I am very anxious, and I know all of us are, to get through with the question and the session. I feel like I have occupied more time than I ought. I have occupied more than I would have done but for these agricultural dissertations, and I shall surrender the floor.

Mr. SMOOT. Mr. President, I share the opinion of the Senator from Mississippi [Mr. WILLIAMS] that Senators are very desirous of getting through at an early hour to-day. I could address the Senate for the next two hours upon this question, but I hardly think it is necessary. The Senator from Massachusetts [Mr. LODGE] has covered the subject pretty thoroughly, and I shall therefore not undertake to go into a detailed discussion or argument of the sugar schedule at this time.

I did intend to answer some of the statements that have been made recently by circulars sent every day or so to Members of the Senate by a Mr. Lowry, representing an association formed by Mr. Spreckels, of the Federal Sugar Refining Co. The expense and maintenance of the organization is paid for by Mr. Spreckels alone. But I have concluded that it is un-

necessary, and am informed by Senators that the statements made are not such that require an answer.

I believe, Mr. President, that Senators pretty well understand what it really costs to produce beet sugar and cane sugar in this country.

I have made a number of speeches in the past on the subject, showing what it actually costs to produce sugar in this country, both cane and beet. There is no change in those costs. They were taken from the books of the companies, showing the absolute cost at the time I addressed the Senate the last time upon the subject.

As far as I am personally concerned, all the protection that I desire for the sugar industry of this country is sufficient to enable it to hold its own against increased importation of sugar of foreign countries and enable it to develop in the future, and no more. The amount of protection required to accomplish this has been a somewhat disputed question. The sugar hearings in the House, in which the books of most of the sugar companies of the United States were produced, demonstrated that the cost of producing sugar in this country was \$3.54 per 100 pounds, without depreciation charges. I believe that it is generally admitted that the production of beet sugar in this country costs about \$3.75 to \$3.80 per hundred, and it costs a little more to produce cane sugar in the South. All the protection that the sugar producers of this country desire is enough to measure the difference between the cost of producing sugar in this country and in foreign countries.

I believe, Mr. President, if it had not been for the attempts that have been made nearly every year for the last 10 years to reduce the prevailing rates on sugar there would have been sugar factories in all parts of this country, and in numbers sufficient to produce twice the amount of sugar that is being produced to-day.

Mr. President, if it were understood that the present duty imposed on sugar would remain unchanged for the next 10 or 15 years, every pound of sugar consumed by the people of this country would be produced in this country before the end of that period.

Mr. President, the Senator from Massachusetts asked the question: "Who is back of this move for free sugar?" That was demonstrated beyond a question before the hearings in the House and Senate. It is not the people who are crying for free sugar, but it is the great sugar refineries of this country. They want free sugar; and why? If they had free sugar, every producer of sugar in the United States would be destroyed, and when destroyed the few sugar refiners would have the absolute sugar market of this country in their control. They would name the price that the people would pay for sugar, just the same as they named it in the fall of 1911, when they purchased sugar from \$3.86 to \$5 a hundred and sold it as high as \$7.50 a hundred. They were not then looking after the dear people of the United States. They were looking after their own coffers and charging all they thought the people would pay.

The statements of all the companies that are now so interested in the reduction of the price of sugar to the people show they did not make money by the hundreds of thousands, but by the millions of dollars, when they had it in their power to do so, and if it had not been for the fact that beet sugar produced in this country entered the market in the month of October the excessive prices would have continued and the refiners would have continued making their millions monthly.

So, Mr. President, I believe that if anything should happen to destroy the American manufacture of sugar and the great sugar refiners of this country had absolute control of the distribution of sugar, with the power to make the prices for all the sugar that was sold, in the end the American people would pay more for their sugar than they do now with the tariff added.

I shall not take any more of the time of the Senate to-day in discussing this question, because I believe that every Senator has made up his mind—as each Senator no doubt has studied the question—what rate of duty, in his opinion, is necessary for the preservation of the sugar industry in this country.

Mr. BRISTOW. Mr. President, I desire to offer an amendment to the amendment. I move that, on page 4, line 2, the word "thirty-five" be stricken out and the word "twenty-six" inserted.

The PRESIDING OFFICER (Mr. POMERENE in the chair). The Secretary will state the amendment to the amendment.

The SECRETARY. On page 4, line 2, in the amendment reported by the committee, strike out the word "thirty-five" and insert the word "twenty-six."

Mr. LODGE. Mr. President, I shall be glad if it should not be reduced to that point. I am very anxious that we should pass a proper sugar bill in the Senate to-day. So far as I have the power to do so, I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas to the amendment of the committee. Without objection, it is agreed to.

Mr. BRISTOW. Mr. President, the acceptance of the amendment makes the bill, as reported by the majority of the committee, satisfactory to me, but probably I should explain just what the amendment does.

As will be remembered by Senators who are present who were here three years ago, when the Payne-Aldrich bill was before the Senate, I offered an amendment to paragraph 216 which struck out the language in the first line as printed in the tariff bill—

Not above 16 Dutch standard in color.

And also the following provision I moved to strike from the bill:

And on sugar above 16 Dutch standard in color, and on all sugar which has gone through a process of refining 1.90 cents per pound.

The effect of these amendments, if adopted, would have been to reduce the duty on refined sugar from \$1.90 to \$1.82½ per hundred, and to remove the Dutch color standard, which imposed the same duty on light-brown sugar that was imposed on refined.

The bill, as reported by a majority of the Committee on Finance, omits these provisions in the law which I then moved to strike out. I think I held the attention of the Senate for about three days at that time in explaining what the Dutch standard was, and what I considered the iniquities of its incorporation into the sugar-tariff law, and explaining as best I could the reasons why no differential was needed.

Prior to the Payne-Aldrich law the Dingley law provided for a differential of 12½ cents per hundred pounds on refined sugar over the duty on pure sugar that had not gone through the process of refining. That 12½ cents, in my opinion, was purely a protective duty to a refining company that did not need any protection whatever. The Payne-Aldrich law reduced that from 12½ cents to 7½ cents per hundred pounds. I contended for the striking out of that 7½ cents differential, because, in my opinion, it was not needed and was purely a gratuity to a refining company that had proved itself to be a criminal organization.

In my judgment the provision relating to the Dutch standard was also in the interest of this same refining company, because it placed so high a duty on the light-brown sugars as materially to increase their price, so that they could not be successfully sold in competition with the refined. I was unable at that time to convince the Senate that these provisions should be stricken out, and they remained in the bill.

Last year, as Senators will remember, I again sought to have these provisions stricken out. Three years ago, if the amendments that I had offered to the bill had been adopted, the duty would have remained then on pure and refined sugar \$1.82½ per hundred pounds.

Last year, in addition to striking out the differential and the Dutch standard, I sought to reduce the duty, making the maximum duty \$1.75 per hundred; that is, reducing it 7½ cents per hundred pounds lower than the amendments I offered two years previously would have reduced it. I failed then to convince the Senate that such a reduction ought to be made.

I want to say that I was exceedingly gratified when the majority of the Committee on Finance reported this bill to find that the provision relating to the Dutch standard had been taken out of the law and that also the differential had been taken off, leaving the duty on pure sugar at 1.82½ cents per pound. I felt that in itself was a great advantage to the people and a very desirable step in our sugar tariff legislation, and I was very much gratified because it was the accepting by the committee of the identical amendments to the law that I had proposed in 1909. But I believe now that the duty can be still further reduced without endangering the sugar industry, especially the beet-sugar industry, that has been built up, in my opinion, as a result of the protective duty that was imposed in 1897 in the Dingley law.

I would not reduce the duty to a point that would endanger the successful operation or the normal and natural growth of the beet-sugar industry of the United States. I am desirous that the Louisiana cane-sugar industry should have the protection that is justified in undertaking to develop the sugar production of this country; but I do not believe that we are justified in maintaining an excessive tariff duty on sugar in order especially to encourage the development of the production of cane sugar in Louisiana, because the territory which can be utilized in the production of cane sugar is limited; so that a high protective duty could not give the country any great production of sugar. There is, however, opportunity for a very large development of the sugar-beet industry in the United

States, and I believe we are justified in maintaining a protective-tariff duty in any reasonable degree to encourage the development of such production. In this respect I fundamentally differ from the junior Senator from Mississippi [Mr. WILLIAMS]; but the difference is one of economic view. I believe that when duties are imposed for the collection of revenue to defray the expenses of the National Government, if they can be so fixed as to result in the development of an American industry that will give diversified employment to our people, it is not only justified but desirable to so fix them.

The Dingley bill was passed in 1897, and I want to call attention briefly to the result brought about by the duties imposed by that law in the development of the beet-sugar industry. In 1895-96—that is, the year previous to the enactment of the Dingley law—there were produced in the United States 32,000 tons of beet sugar. Last year—that is, for the sugar year 1911-12—there were produced 606,000 tons of beet sugar. There has been a gradual development in 15 years from 32,000 tons to 606,000 tons. I believe that the stimulus given the beet-sugar industry by a tariff of \$1.95 per hundred pounds on refined sugar resulted in the enormous and unprecedented development in that industry. In my opinion that was wise legislation. The result has been that last year we produced approximately \$50,000,000 worth of sugar in the United States. Even if we could have purchased sugar at the same price somewhere else, I am reminded of the illustration which Lincoln once gave and which always comes to my mind when discussing this subject. If this sugar had been produced abroad and we had bought that 600,000 tons last year—that additional amount—from the foreigner, he would have had the money and we would have had the sugar; but since it was produced by our own people in our own country, within the boundaries of our own Nation, we have got not only the sugar but also the money. That is one of those homely illustrations that furnish an unanswerable argument of the advantage of the protective policy. But whenever the tariff duty rises above the point that is necessary for a proper and normal stimulation of the industry, then it becomes an evil instead of a benefit. The fight I have been making since I have been in the Senate against the present tariff has not been against the policy or principle of protection, but against the excesses which selfishness and greed have incorporated into the law. When those excesses are removed, then I stand as a defender of protection as a national policy.

The bill before us provides that there shall be a duty of 95 cents a hundred pounds on sugar that tests 75 degrees pure by the polariscope test, which is a scientific test used by the civilized nations of the world, and adds 3½ cents per hundred pounds for each additional degree of purity, making the duty on 100 per cent sugar \$1.82½ per hundred pounds. My amendment strikes out the 3½ cents per hundred and inserts 2.6 per hundred for each additional degree of purity above the 75 degrees, making the maximum duty on pure sugar \$1.60 per hundred pounds, or 22½ cents per hundred pounds less than the bill as reported by the majority of the Committee on Finance. The amendment which I submitted to the House bill some time ago provided for a maximum of \$1.52½ per hundred on pure sugar. The amendment I now offer and which the committee has accepted imposes a maximum duty of \$1.60—7½ cents more per 100 pounds than the amendment as I originally presented it. I increased the maximum duty from \$1.525 to \$1.60, in the hope that the Senator from Massachusetts and the majority of the Committee on Finance would accept it, and that we might get a law passed that would substantially reduce the duties.

I might contend for exactly what I want in tariff legislation and fail to get anything, but I feel that when the Republican majority eliminates from the law the Dutch standard, which I have been fighting since I have been in the Senate, removes the differential, which I think is unnecessary, and reduces the duty on refined sugar from \$1.90 per hundred pounds to \$1.60, and on pure unrefined sugar from \$1.825 to \$1.60, that I am getting substantially what I have been fighting for. I believe that is approximately as much of a reduction as it is safe to make at this time, considering the importance of the beet and Louisiana cane-sugar production.

In this connection I think I should refer to the Cuban reciprocity treaty that was entered into some years ago, because that brought about a material reduction in the protection which the sugar producers in the United States were receiving under the Dingley law. The iniquity of that measure from my point of view is that it reduced very materially—20 per cent—the duty on raw sugar which the sugar refiners bought and left the duty on refined sugar, which they sell, the same as it was before. The result has been that the refiners entered the Cuban market, purchased their supply for their refineries at practically 20

per cent less than they had been paying before, and had the same protection for their product which thus sold in the American market.

Mr. SMITH of Michigan. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from Michigan?

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. If the Senator will permit me, the benefit which they derived was in no way shared by the people who produced the sugar in the field.

Mr. BRISTOW. I would not say that it was in no way shared. It was shared to some extent, but very little. I think the Cubans got some advantage, but nothing like 20 per cent. They got a very slight advantage, and the American public got a very slight advantage. I figured it out once at about 1½ per cent in the reduction of the price which they paid for the refined product.

Mr. SMITH of Michigan. Very much less, if the Senator will permit me, than the advocates of Cuban reciprocity so enthusiastically represented it would be.

Mr. BRISTOW. Very much less, that is true.

Mr. SMITH of Michigan. And the effect of that act was most detrimental to the development of the beet-sugar industry in our country.

Mr. BRISTOW. Well, Mr. President—

Mr. SMITH of Michigan. I think I ought to say it was detrimental in this, that the uncertainty and the instability of the American policy was such as to discourage rather than encourage the normal and natural growth of that industry.

Mr. BRISTOW. Well, I can hardly agree fully with the Senator in that respect. I think that the beet-sugar industry, in spite of the handicap then put upon it, has grown in a very gratifying way. My criticism is not of the reduction that was made on raw sugar by the Cuban reciprocity treaty, but on the failure to reduce the duty correspondingly on the refined product. If that duty had been reduced correspondingly, then it would have amounted to a reduction of 20 per cent in the sugar duties; but as it was, it was a reduction of 20 per cent in the protection which the sugar producer received and no reduction in the protection which the refiner, the purchaser of the product of the American cane-sugar producer, received.

Mr. SUTHERLAND. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SUTHERLAND. Does the Senator from Kansas state that quite accurately? I understand the Cuban reciprocity legislation gave the Cubans a reduction of 20 per cent in our tariff duties, but it was not in terms confined to raw sugar; it applied to all kinds of sugar.

Mr. BRISTOW. That is true; but there are no refineries in Cuba and never have been.

Mr. SUTHERLAND. That is correct; but in practical application it applied to both. While I am on my feet, following out the suggestion made by the Senator from Michigan, with whom I quite agreed when this legislation was pending in the House, I think there has been a very gratifying development in the beet-sugar industry in this country, but I feel quite sure—and my opinion is based upon some observations of my own—that it would have been still further developed if it had not been for that legislation, because I think I know of instances in the West where people were prevented from putting their money into the building of additional sugar factories by the passage of the Cuban reciprocity bill.

Mr. BRISTOW. I agree with the Senator from Michigan and the Senator from Utah that the passage of the Cuban reciprocity law checked for a time the development of the beet-sugar industry. That is shown by the production during the years immediately following the passage of the reciprocity bill, due, I think, as the Senator from Michigan has suggested, to the uncertainty and the doubt in the minds of investors as to what effect that law might have upon the sugar market.

Mr. SMITH of Michigan. Mr. President, if the Senator from Kansas will permit me, I will make the further observation that that uncertainty followed very closely upon the withdrawal of the bounty which was promised in different States to the beet-sugar industry in its early stages and which, indeed, was part of the policy of the Federal Government at that time; but, notwithstanding all of these trials and tribulations, the suitability of our soil to that product has increased the output tremendously, until to-day, as one of those who originally advocated it in the House of Representatives and who has been its constant friend since, I am indeed very proud of the domestic beet-sugar industry. I hope that it will go along and continue

to grow and develop, and that it will stand upon its own feet and keep itself clear from the organizations which are viewing it with such a jealous eye and whose very touch would tend to blight and possibly to destroy it. I do not hesitate to say that I think that has been their object.

The sugar industry in the United States is absolutely dependent upon the tariff. The Senator from Kansas, the Senator from Utah, myself, and other Senators who have given it study, know that the island of Cuba, lying only 90 miles from the American coast line, has a sugar productive capacity of nearly twice the ability of the people of the United States to consume. According to a French statistician, who has given the matter very careful thought, it is not beyond the realm of possibility that Cuba could produce annually upward of 6,000,000 tons of sugar and almost have it grow seven times with one planting. In a situation like that, with a crop produced by cheap labor—peons who wear little clothing and whose necessities seem to be small—it would be little less than suicidal to place the American beet-sugar producer upon the same level with sugar producers in this territory so near our coast.

I am glad that the Senator from Kansas by his persistence and his devotion has finally succeeded in bringing into agreement apparently discordant elements upon this question. For him to say that this industry is dependent upon protection, that it is one of the fruits of protection, and that it has his support and good will, is a great encouragement to the beet-sugar industry of this country, which will retain in the circulating medium of our country hundreds of millions of dollars that will flow through other avenues of commerce and trade and employ labor and diversify production, and which will add to the aggregate wealth of our country and to the individual prosperity of its citizens.

Mr. BRISTOW. Referring to the check in the production of sugar during the years immediately following the enactment of the Cuban reciprocity law, I have just been looking at the statistics which I have here. The law was enacted in 1903. In that year there was produced in the United States 218,000 tons of beet sugar, an increase from 1897, in the six years after the Dingley law was enacted, from 32,000 tons for that year to 218,000 tons. That was the increase in the first six years of the operation of the Dingley law in the production of beet sugar.

Prior to 1897, before the enactment of the Dingley law, there had been a very slow development in the beet-sugar industry. The first beet sugar that was produced in the United States was in 1861, which was simply an experiment. The entire production from 1861 to 1870 was only 448 tons, and from 1870 up to 1897, a period of 27 years, it only increased to 32,000 tons, while, as I have stated, in the first 6 years after the enactment of the Dingley law it increased from 32,000 tons to 218,000 tons. In 1904 the production was 240,000 tons, or an increase of 22,000 tons. In 1905 it was but 242,000 tons, an increase of only 2,000 tons, showing that the enactment of the Cuban reciprocity law had a retarding effect; but as soon as the industry recovered from the first effect of that law it began to advance by leaps and bounds. In 1906 there were produced 312,000 tons, an increase of approximately 70,000 tons for that year. Then it continued to increase until, as I have said, last year we produced something over 600,000 tons of beet sugar in the United States.

In this connection I submit a table showing the production of cane and beet sugar in the United States from 1852 to 1912:

Beet and cane sugar—Quantities produced in the United States, 1852 to 1910.

[From Statistical Abstract of the United States, 1910, p. 218 (computed).]

Periods. ¹	Cane sugar.	Beet sugar.
	<i>Short tons.</i>	<i>Short tons.</i>
1852-1860 ²	165,613.7	.....
1861-1870 ²	66,214.9	344.8
1871-1880 ²	84,050.3	425.6
1881-1890 ²	141,000.6	1,176.8
1891-92.....	248,584.9	3,874.1
1893-94.....	185,289.7	5,998.7
1895-96.....	249,227.9	13,460.2
1897-98.....	305,412.8	22,344.0
1899-1900.....	364,096.3	22,503.0
1901-02.....	271,816.9	32,726.4
1903-04.....	322,087.7	42,040.3
1905-06.....	354,125.9	45,245.8
1907-08.....	284,394.9	36,367.5
1909-1900.....	161,274.5	81,729.0
1901-1902.....	311,887.1	86,082.1
1903-1904.....	364,325.2	184,005.9

¹ The periods relate to sugar-productions years which end with March.

² Average for the period.

³ 1864 to 1870.

Beet and cane sugar—Quantities produced, etc.—Continued.

Periods.	Cane sugar.	Beet sugar.
	<i>Short tons.</i>	<i>Short tons.</i>
1902-3.....	372,902.9	218,405.8
1903-4.....	262,976.0	240,604.5
1904-5.....	392,000.0	242,113.2
1905-6.....	383,040.0	312,920.6
1906-7.....	272,160.0	483,612.0
1907-8.....	391,240.0	463,628.2
1908-9.....	414,400.0	425,884.0
1909-10.....	375,200.0	512,469.0
1910-11.....	348,320.0	509,846.4
1911-12 (estimated).....	344,960.0	606,033.0

¹ From Willett & Gray's Weekly Sugar Trade Journal, 1912.

In addition to Cuban reciprocity, the beet-sugar industry, as well as the cane-sugar industry in the United States, has had to contend against free sugar from Porto Rico. Prior to the annexation of Porto Rico, which occurred as the result of the Spanish-American War, sugar from Porto Rico had paid the same duty as sugars from other parts of the world—a maximum duty of \$1.95; but with the annexation of Porto Rico its sugar came to the United States free. The annexation occurred shortly after the Spanish-American War, and our importations from Porto Rico in 1900 were 36,000 tons. The importation from Porto Rico has increased, as the result of free sugar, from 36,000 tons in 1900 to 322,000 tons last year—showing the enormous amount of free cane sugar that is brought into the United States from Porto Rico to compete with the American sugar producers.

Then, there has been a large increase from Hawaii. The increase from these islands has been from 252,000 tons in 1900 to 505,000 tons last year.

I submit another table showing the importations of sugar from Porto Rico and other countries:

Sugar imported into the United States from Hawaii, Porto Rico, Cuba, the Philippines, and all other countries.

Fiscal years.	Hawaii.	Porto Rico.	Cuba.	Philippines.	All other countries.
	<i>Short tons.</i>	<i>Short tons.</i>	<i>Short tons.</i>	<i>Short tons.</i>	<i>Short tons.</i>
1898.....	249,883	49,209	220,113	14,745	811,009.99
1899.....	231,149.94	53,601.3	331,771.83	25,812.64	1,347,789.58
1900.....	252,356.55	36,279.09	332,727.96	24,745.27	1,392,934.4
1901.....	345,440.42	68,000.9	549,702.18	2,346.07	1,435,454.07
1902.....	360,276.68	91,908.52	492,107.54	5,712	1,515,957.94
1903.....	387,412.71	113,076.75	1,197,963.89	9,386.67	900,703.49
1904.....	368,246.05	129,615.8	1,409,778.86	23,514.95	967,842.47
1905.....	416,360.69	135,659.99	962,421.16	27,499.99	774,705.86
1906.....	373,301.32	205,272.3	1,261,295.25	26,362.34	578,075.63
1907.....	410,507.41	204,074.99	1,583,081.99	35,253.15	548,183.12
1908.....	538,785.32	234,602.54	1,231,031.95	14,731.4	524,279.6
1909.....	511,431.96	244,226.37	1,324,514.89	47,476.41	617,333.43
1910.....	555,297.24	284,519.94	1,734,303.21	87,766.35	216,229.03
1911.....	505,607.92	322,917.20	1,805,433.77	115,175.74	48,357.95

NOTE.—From Senate Document No. 15, Sixty-first Congress, first session, pp. 2-3, letter from Assistant Secretary Commerce and Labor.

Figures, 1898, compiled from Statistical Abstract, 1907, p. 719, also 1904; figures for 1901, Porto Rico, Statistical Abstract, 1907, p. 719; Porto Rico, 1899-1900, Statistical Abstract, 1904, p. 351; Cuba, 1899-1905, Statistical Abstract, 1904, p. 351; Philippines, 1899-1903, Statistical Abstract, 1904, p. 353; other countries, 1899-1904, Statistical Abstract, 1907, p. 719; all figures for 1909 from Foreign Commerce and Navigation of the United States, 1909, pp. 965, 1092, 1214, 1236; all figures for 1910 from Foreign Commerce and Navigation of the United States, 1910, pp. 1093, 1117, 1136, 1137, 1387, 1407; figures for Cuba, 1911, from Report on Commerce and Navigation of the United States, 1911, No. 15; other figures for 1911 furnished by Bureau of Statistics and computed therefrom.

In the face of these handicaps during the 15 years that the beet-sugar industry has been in process of development, with the exception of a few years immediately following the reciprocity treaty, it has made a normal, rapid, and desirable advance. During recent years, because of improved methods of extracting the saccharine from the beet and the improvement and development of the beet so as to get a beet richer in saccharine contents, there has been a gradual decrease in the cost of beet-sugar production in the United States; and I am thoroughly convinced—and there can be no doubt in the mind of anyone who will examine carefully and impartially the statistics of the development of this industry—that the tariff reduction suggested in the amendment that I have offered, and which the committee has been good enough to accept, can be made at this time without detriment to the development of the beet-sugar industry in the United States.

Mr. SMITH of Michigan. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from Michigan?

Mr. BRISTOW. Yes.

Mr. SMITH of Michigan. Has the Senator from Kansas made any calculations as to the amount of revenue that will be sacrificed by this reduction?

Mr. BRISTOW. About five and a half million dollars.

Mr. SMITH of Michigan. Is it the expectation of the Senator that the reduced duty will stimulate importations, and that we shall make up the revenue in that way?

Mr. BRISTOW. No; I do not think we shall make up the revenue. I do not think it will stimulate importations. My judgment is—many of my protection friends will disagree with me on this—but my judgment is that it will result in a reduction in the price which the American people pay for the sugar they consume and that that reduction can be made without any detriment to American producers. The protective duty will still be high enough to enable them to compete successfully in the American market with any foreign producer, whether it be the beet-sugar producer of Germany or the cane-sugar producer of Cuba.

Mr. SMITH of Michigan. Of course the motive of the Senator from Kansas is to keep the duty sufficiently high to enable them to compete.

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. There is no doubt about that.

Mr. BRISTOW. That is the reason I oppose the substitute offered by the Senator from Mississippi [Mr. WILLIAMS], because I think the reductions provided in that amendment would be very detrimental to the beet-sugar industry and particularly detrimental to the cane-sugar interests of Louisiana.

Mr. SMITH of Michigan. Mr. President, if I do not interrupt the Senator from Kansas—

Mr. BRISTOW. Not at all.

Mr. SMITH of Michigan. I am going to observe right there that if the rates of duty embodied in the proposition of the Senator from Kansas could be made permanent, if it were certain that those duties would not be interfered with by a political party whose policy is toward free trade, I venture the assertion that the beet-sugar industry would grow as it has never before grown, and that within a very few years at the outside the American people would not spend outside of the country a dollar for sugar, but would retain all that vast supply of money among our own people and in our own industries.

Mr. BRISTOW. Mr. President, I agree with the Senator from Michigan that it is very desirable, when a great industry, such as this is, is affected so materially by a tariff duty, that there should be stability in the amount of duty levied, and that the rate should not be changed from year to year, because that causes a degree of uncertainty in the minds of men who seek investments or whose fortunes are involved in the production of this commodity. I believe that the doubt as to the effect Cuban reciprocity would have on the development of the beet-sugar industry had as much to do with the retarding of its growth during the years 1904, 1905, and 1906 as the actual reduction in the duty.

Mr. SMITH of Michigan. It had. That was the first step.

Mr. BRISTOW. And I believe that this duty of \$1.60 on refined sugar, which in effect is a deceptive duty, because practically no sugar will be imported that will pay \$1.60 a hundred pounds—the real actual protection to American sugar to-day is the duty on the Cuban product; that duty to-day is \$1.34 on 96° sugar, and 95° and 96° sugar constitute the great bulk of our importations—

Mr. BACON. Why does the Senator say that is the controlling duty? I ask for information.

Mr. BRISTOW. Because the sugar we import comes in at that duty. We imported last year from Cuba 1,800,000 tons of sugar, while we imported from all other countries but 48,000 tons which paid the full duty, showing that 1,800,000 tons came in under the Cuban reciprocity agreement—that is, at a duty of \$1.34 on 96° sugars—while there came in but 48,000 tons that paid the full duty.

Mr. BACON. I may be wrong about it, but does not the Senator think that as long as the lower rate of duty does not furnish importations to supply the demand, the higher rate of duty, under which there must be some importations, is the controlling rate of duty?

Mr. BRISTOW. The Senator is right, in a sense. If he will permit me, I will explain.

The real competitors of the American beet-sugar producers are the American refiners of tropical or cane sugars; that is, this 1,800,000 tons that came from Cuba was purchased by the American refiners at this reduced duty. So the American producer of sugar is competing with the Cuban producer, and the protection which the refiner has is the protection imposed upon his refined product, and that is the point at which this reduc-

tion on the duty which I suggest is made, and where I think it ought to have been made years ago.

Mr. BACON. The Senator may be correct, but I will ask him this question: Suppose that all the sugar that comes from any country from which we receive sugar without any duty, and those countries or that country from which we receive sugar at a reduced duty, was produced in the United States, and that we produced all the sugar consumed in the United States except 48,000 tons, and that the 48,000 tons came from Germany, would not that be the controlling rate of duty?

Mr. BRISTOW. If all sugar was refined sugar that would be true, but imported sugar is not refined sugar, and therefore the duty on the sugar that is imported is not \$1.90.

Mr. BACON. The Senator then recognizes the general proposition as I state it, but thinks the peculiar conditions—the influence of the refiners of sugar is the influence that makes the condition that the Senator says results from the Cuban—

Mr. BRISTOW. That is my judgment. If sugar was all refined, and we produced here all but 48,000 tons, and we had to import that, the natural tendency of the market price in America would be to reach the foreign price, plus the duty.

Mr. BACON. Does it not always do so?

Mr. BRISTOW. That is the tendency, and it approaches it very nearly, but it does not always do it, as a matter of fact.

So, as I was saying, the protection which the American sugar producer receives is really in fact the Cuban duty, and that is \$1.34 instead of \$1.90, as it has been heretofore. But this amendment of mine reduces the Cuban duty to approximately \$1.20.

Mr. BACON. I suppose the Senator recognizes another thing, and that is that if the sugar that is produced, for instance, in Hawaii, upon which there is no duty, was produced by plants which were owned by the sugar-refining industries of this country, the increased price of those sugars coming from Hawaii resulting from the duty imposed on sugars coming from Germany, for instance, would be that much bonus to the sugar refiners, would it not?

Mr. BRISTOW. If the production of Hawaii was refined; yes; but if unrefined, then the competitor is Cuba, and their profit would be controlled by the Cuban duty and not the German duty.

Mr. BACON. I see the point.

Mr. BRISTOW. But they do not produce refined sugar. They produce raw sugar. Their competitor is Cuba, and the duty that protects them is the Cuban and not the duty on the German sugar.

Mr. BACON. The point I am after is this: So far as Hawaiian sugars are concerned, if the production there were owned and controlled by the sugar industries of the United States, they get the price which the controlling duty, whether it is the Cuban or German import duty, influences and controls?

Mr. BRISTOW. They get the price which the Cuban duty creates.

Mr. BACON. Exactly.

Mr. BRISTOW. That is true.

Mr. BACON. And the fact that we import the Hawaiian sugars free of duty does not decrease the price of sugar in this country to the consumer.

Mr. BRISTOW. Not on the refined sugar. I agree to that. I have so contended for years.

I was very much interested and very much pleased at the criticism which the Senator from Massachusetts made upon the sugar refiners. I think that the American sugar refiners have been a gang of pirates, and I am glad that they will no longer have undue favors after this bill becomes a law, as I hope it will, of the American Government.

The reason I am anxious for the bill as amended to become a law is because we will be receiving the fruits of a legitimate reduction in what I consider excessive tariff duties. A number of us have been fighting here for a good many years contending with Senators belonging to our own party for a reduction of these duties.

I have voted with the Democrats on tariff votes a great many more times than I have voted with the majority of the Republicans, because I have been contending for a reduction in existing duties, and the Democrats have voted with us, as the amendments have usually been amendments that the Republicans who have been contending for lower duties have offered.

Now, I want to say to my Democratic friends that we have an opportunity of getting a substantial reduction in duty on one of the most important, I believe the most important American commodity. I have no doubt, and I do not think anyone here will have doubt, that if this bill passes the Senate and the

House accepts it, it will meet the Executive approval and become a law, and if it does we—and in this connection I refer to the progressive Republicans and the Democrats—will get legislation embodying the things we have been voting for now for over three years, and if we want legislation along the lines we have been advocating, then this bill ought to pass, because it means legislation.

Mr. SIMMONS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from North Carolina?

Mr. BRISTOW. I do.

Mr. SIMMONS. I understand that this morning, while I was absent from the Chamber, the Senator from Kansas changed his amendment, and that it was accepted by the Senator from Massachusetts as an amendment to his amendment.

Mr. BRISTOW. My amendment, I will say to the Senator from North Carolina, made during his absence, was to strike out the word "thirty-five," in line 2, page 4, of the bill as reported by the majority of the committee, and insert the word "twenty-six."

Mr. SIMMONS. Is that the only change?

Mr. BRISTOW. That is the only change made.

Mr. SIMMONS. That is the only change you make in the Lodge bill?

Mr. BRISTOW. In the Lodge bill. That reduced the duty as provided in the Lodge substitute from 1.82½ to 1.60; that is, 7½ cents higher than the amendment was when I introduced it.

Mr. SIMMONS. I am asking for information.

Mr. BRISTOW. Yes.

Mr. SIMMONS. I understood from the Senator, in private conversation, that his original amendment would have reduced the sugar duties upon an ad valorem basis probably about 22 per cent.

Mr. BRISTOW. I never figured that out exactly. It would have reduced the duty from 1.90 to 1.52½. This reduces it from 1.90 to 1.60.

Mr. SIMMONS. I am trying, if I can, not being as familiar as is the Senator from Kansas with the technique of this business, to get at something like the ad valorem of the proposed reduction. I will ask the Senator from Kansas if his original amendment would not have resulted in an ad valorem reduction of somewhere from 20 to 22 per cent?

Mr. BRISTOW. I will say that I have never figured it out, but I think, from a conversation with the Senator or somebody else who had figured it out, that is approximately true. I never have figured it from the standpoint of the ad valorem, but I think that is approximately correct.

Mr. SIMMONS. If that be so, if the original amendment would have reduced it upon that basis from 20 to 22 per cent, how much would the amendment which has been accepted reduce it?

Mr. BRISTOW. I will say to the Senator that I have not figured the ad valorem reduction.

Mr. SIMMONS. Could the Senator approximate it; about how much?

Mr. BRISTOW. I should think if the former was 22 this would be 18 or 19. That would be my guess; about 18 per cent, so I am advised.

Now, as I was saying when interrupted by the Senator from North Carolina, I am anxious that the bill as amended shall become a law, because it gives us legislation and a substantial reduction. It gives what we have been contending for, not so much as our Democratic friends desire, but as much as, in my judgment, it would be safe to make at this time, and it seems to me that it is time we were getting some fruits in this tariff controversy, and we now have the opportunity to get them.

The Senator from Mississippi [Mr. WILLIAMS] criticized the provision in the bill as reported by the Senator from Massachusetts which provides for a marking of the package—stamping the name of the manufacturer and the degree of purity. That amendment simply provides that the pure-food law shall apply to bags and barrels of sugar that are put upon the American market and sold to the consumers, and it also provides that this proviso shall not apply to sugar that is being imported for refining. It makes no difference how impure is sugar that is being imported for refining, because the refining takes the impurities out of it and when it is put upon the market it is refined or pure sugar. So I see no objection to that provision.

There is no occasion for sugar to be marked as to its purity if it is immediately going into a refinery. That is a question between the refiner who purchases it and the producer who sells it. But if that refiner purchases it to put it upon the American market unrefined, or if the producer who imports it into this country imports it for the purpose of putting it upon

the American market, I see no objection to its being stamped as to the degree of purity, but I think the provision ought to apply to everybody alike.

The objection that has been made to the removal of the Dutch standard is that it would give opportunity for foreign sugar producers to import into the United States impure sugar highly colored by some mechanical process. That has never had any weight upon my mind. I do not think it is practical to color sugar artificially. You can crush large grains of sugar and pulverize them into smaller grains and make them appear whiter than if the crystals were larger, but the sugar is no purer. I have no objection to stamping the purity of the sugar upon barrels or sacks any more than I would object to stamping the degree of purity of any other article upon its container. I have no objection to a refiner's purchasing sugar in bulk to refine without having any stamp on it as to its purity, for that is his business. But if he purchases it to put on the American market in the condition in which he purchases it, without passing it through his refinery, I think he ought to stamp it, the same as anybody else ought to who imports or manufactures sugar.

So I see no objection to this provision of the bill. I do not think it is necessary. Some people think it is. I am perfectly willing that it should go in, because it simply requires that the package be stamped for just what it is, and the barrels and sacks of sugar that are put upon the open market come under the supervision of the pure-food law the same as other commodities do. The only objection I can see is the inconvenience of stamping.

If the refiner has to refine the sugar he purchases before he puts it on the market, we have no interest in what the purity of that sugar is; but if he has to stamp those packages with the degree of purity, the same as other producers, when he buys it and puts it on the market without refining, the public is protected from any dishonesty which he might attempt to practice on the American people.

I do not believe I have anything more to say. I have taken up more time on the sugar question in the last three years than possibly I ought to have taken, and I believe I can be pardoned for saying that I feel very much gratified, after these three years of controversy with my Republican friends, that at last the measures which I have advocated have been accepted by those who at times have radically differed from me, and that these measures I hope are soon to be incorporated into the law and a larger reduction made in the tax upon our sugar consumption. I am glad that my amendment was accepted by the Senator from Massachusetts, and I sincerely trust that the bill as amended will pass the Senate and soon become a law.

The PRESIDENT pro tempore. The question is on agreeing to the amendment as amended. Is the Senate ready for the question?

Mr. SMOOT. I ask for the yeas and nays.

Mr. SIMMONS. I should like to know if I understand exactly what the vote is on. As I understand, the vote is upon the substitute offered by the Senator from Massachusetts as amended.

The PRESIDENT pro tempore. The committee amendment as amended on motion of the Senator from Kansas [Mr. BRISTOW].

Mr. WILLIAMS. Mr. President, I got permission of the Senate yesterday to file the views of the minority, and I desire to do so at this time.

The PRESIDENT pro tempore. Without objection, the views of the minority (Rept. No. 763, pt. 2) will be received and printed.

Mr. HEYBURN. Mr. President, inasmuch as everybody will be called upon to vote on this amendment, I desire that the RECORD shall leave no question as to the motive actuating me.

I am still in favor of a protective tariff that protects. I am not in sympathy with any proposition to reduce the existing tariff on sugar for two reasons—first, that it will cost the Government from seven to ten million dollars in revenue. As I estimate it, it will cost it \$9,000,000. Some Senators on this side estimate it at \$7,000,000, and I do not know whether any estimate it above \$9,000,000 or not.

Mr. BRISTOW. Does the Senator refer to the amendment I offered to the bill?

Mr. HEYBURN. Yes.

Mr. BRISTOW. I will say to the Senator that I figured it out quite carefully, and it is about five and a half million dollars.

Mr. HEYBURN. I have had varying figures submitted to me. I, to the best of my ability, made some figures in regard to it, with the result that in my judgment it would cost the Government about \$9,000,000 in revenue. That is an important con-

sideration which would go a long ways with me in determining how I would vote upon this amendment.

Then, again, the reasons that are given for making a reduction by the other side of the Chamber do not appeal to me. Confessedly, according to some of the remarks of Senators on the other side yesterday, their purpose is to clear the way for the creation or substitution of another source of revenue to pay the expenses of the Government. It is proposed by the Democracy—and I will make it broad enough to cover Democrats in and out of Congress—to substitute direct taxation for the system of indirect taxation, if it is taxation, in providing for the revenues of the Government. I am unalterably opposed to making a condition in order that an undesirable condition may be brought about.

Of course it must be admitted that a reduction, whether it be five million or nine million or eleven million, is at the expense of our own producers. It is a fair deduction that if we reduce the duty we increase the imports of sugar or the opportunity to import sugar, and it will exert a pressure upon our own producers to compel them to accept less profit and less favorable conditions of production. I can not bring my mind to accept a proposition that will result in doing that thing.

It is probable that with this amendment adopted the legislation would still fail of enactment into law. If I were to vote for this amendment it would be because I believed it would be futile and that the legislation would fail, and I would vote for it if at all in order to defeat what is, in my judgment, a more dangerous and disastrous piece of legislation, namely, the House bill.

One of the most treasured resources of this Government for the production of revenue for the payment of the expenses of our Government has been the sugar tariff. It has been beneficial not only in protecting our market as it exists to-day, but it has been beneficial in building up the sugar industry in this country from a very small production 14 years ago to a very large production to-day, and an ever-increasing production, not only of sugar, but of the prosperity incident to an enlarged use of our land, our labor, and all that pertains to the growth of that industry.

It is conceded that within a very few years under existing conditions the United States would produce all the sugar it would consume, and as the years come after that would produce a surplus for sale in other markets that would add to the wealth of the people of this country who are interested in the production of sugar, the development of the industries that are dependent upon it, and an enlarged use of the lands of the country.

The State I represent is one of the large sugar-beet producing States of the Union. It has grown within a very few years from the beginning to the existing conditions of production. We have large counties in our State that had no substantial existence prior to the introduction of this industry which are to-day among the largest and most prosperous counties in the State. One of those counties is as large as some States in the Union. I have known it since it was in the primitive condition of sagebrush and cattle ranging. I have seen it developed into a fertile, thickly populated county, with large and growing towns, all because of the advantages offered to the American producer by reason of Republican tariff legislation.

I not only am not willing to strike down that industry, but I am not willing to diminish the prosperity of those people to the extent of a single dollar in response to a cry that comes from nowhere, that has no responsible thing behind it except a political scare based upon a desire to win in political controversy. Outside of the Chambers of Congress there are many millions of people who think upon this question. Heretofore their thoughts have led them to support by overwhelming majorities the party of protection, the party that gave us the tariff under which we now live. I do not believe that those people have changed their minds. I know that no responsible call has come up from them for change in legislation.

In the Republican platform there is a short paragraph suggesting that some duties are too high. It should not have been in a Republican platform. Some of those who were instrumental in making that platform tell me they did not know that it was to be contained therein. But it is there, and the question presented by it is one that seems to be considered of general application. Three days we have sat here considering reductions in the duties upon imports, and there have been found during those three days advocates of reduction in the several schedules that have been under consideration. I wonder when going down the list of schedules we would find one that would be considered an exception to that irresponsible statement that some duties are too high. We have not found one in three days, and perhaps if we were to go down the whole line

of schedules we would find some one, perhaps many, admitting that all schedules were too high.

Can that possibly be the condition that exists in the minds of the Republicans of the United States? I do not say in the minds of the Republicans in Congress. I am inquiring as to the condition of the minds of Republicans in the United States. That is a larger question, and one more important to be given consideration than is the question as to the condition of the minds of Senators and Members of either House of Congress.

If the proposition contained in the amendment under consideration is one intended to defeat the enactment of a law placing sugar upon the free list, then if I were to vote for it it would be merely as a weapon used in that great and good cause. There are conditions under which a person might conscientiously vote for an amendment that they would not willingly see enacted into a law. Should I vote for this amendment, I propose, that it shall be known here and everywhere that I do not vote for it because I approve of a reduction of the duties and a reduction of the revenue of the country at the expense of legislation providing for a substitute in the production of revenues of such a measure as was considered in this body yesterday. Yesterday the Senate of the United States voted in favor of substituting direct taxation upon the people of our own country for indirect taxation upon the people of other countries.

This is the hour of political madness. Men's minds have been wrought up by the discussion and consideration of questions of Government that are fraught with danger to the stability of our institutions until they seem to have lost sight of the old landmarks and to have broken away from the moorings of safety, tried and found to be safe. I deplore the condition. I do not expect to stem the tide to-day, because it is not the first time in the history of this Nation, or of other nations, that we have been forced to submit for a time to conditions of which we could not approve. Our hope is in the present until that hope is shown to be fruitless and without foundation; but still beyond that we have a further hope and an abiding faith that when the hour of sanity returns to the people the wrongs of to-day will be swept away before the wisdom of to-morrow.

I want it to be understood that if I vote for this amendment it will be only that we may use it as a weapon for the destruction of a greater evil threatened us, should the consideration of this question pass beyond the vote upon the amendment.

Mr. JOHNSTON of Alabama. Mr. President, will the Senator from Idaho permit me? I should like to ask him a question. I understood him to say just a few moments ago that he knew of no duties that were too high. I wish to read him what the President said in his message transmitting the Tariff Board report on wool. He said:

On cheap and medium grade cloths, the existing rates frequently run to 150 per cent, and on some cheap goods to over 200 per cent.

Would not the Senator consider that too high?

Mr. HEYBURN. Mr. President, I am willing to accept the responsibility for my own judgment and my own act. I believe that every man in the party to which I belong is entitled to his own judgment upon these questions. I would like to believe that the wisdom of the question was to be found in the composite judgment of all Republicans. I am not to be led away or driven away from the doctrine of protection, to which I subscribe, to which I have subscribed during all the years of my responsible life, before the quotation of the opinion of any single man in the party. The Republican Party has many mansions. All Republicans do not dwell in the same house. It is the composite wisdom of the party that constitutes the lodestar that directs my course and not the wisdom of any one man. It must be indorsed and subscribed to by those who constitute the Republican Party.

I have the very highest personal regard for the views of the President of the United States. He speaks as an individual and not as a party. The Congress of the United States speaks more directly than does any man in the party, whatever his position may be. I intend to support loyally in the coming contest the nominee of the Republican Party. I intend to do it without apology or without defense. I have more than one reason for doing so aside from my confidence in the ultimate wisdom of the President of the United States in connection with the representatives of the Republicans of this country. I am not going to question it in this hour, neither am I going to cease to strive for the recognition of the principles that I believe to be sound and true.

There is another great reason why I am going to support the nominee of the Republican party, and that is that it will, I hope, prevent the Democratic party from obtaining the control or assuming the administration or legislation of this country.

That is the greatest evil, in my judgment, that can befall the Americans. I do not expect Senators on the other side to agree with me—that is, not spontaneously, nor do they expect me to agree with their policies, but, Mr. President, anything that will keep the Democratic party out of power is a worthy thing to do, and in this is involved the welfare of the American people.

I heard statements upon this floor yesterday which would indicate that some Members seem never to have discovered the boundaries of the United States or to have learned what the boundary of a country such as ours means. They seem not to understand that it marks not only the geographical line, but the line of interest and the line of rights of the people. Senators who talk about the spirit of brotherly love, unbounded and undivided by geographical lines, are talking poetry and not reason. The American people, a nation distinct from every other nation in individual and personal character, necessity, ambition, and destiny, must not be confused with a country, even though inhabited by a like citizenship that exists under different laws and is governed under different principles.

I would make the boundary of our great country mean something not only upon the map, but in the transactions in the world between men. I would make it mean something to be an American citizen. I would make it stand for something that places the American citizen and his rights above the citizenship of any other country in the world. That is what it is to be an American citizen, entitled to participate in the counsels of the American people, to live under the laws of the American people, that are different in principle and application to the citizens than are the laws of any other country.

For that reason no conditions could arise under which I would advocate or support any proposition of legislation that would place the citizenship of any country upon an equal plane with the citizenship of our own country, either from a patriotic standpoint, a business or a personal standpoint. That is the standard that was set up by the founders of the country. That is the standard that was marked out by the Constitution of the United States. It was the purpose of the founders that we should be a distinct and separate nation, and that our citizenship should stand upon a better and higher plane than that of any other country.

I would never bring into competition with our own citizenship in the struggle for prosperity the citizenship of any other country. The rights of all men equal before the law are not equal in the great field of controversy and struggle. I would give the weakest American citizen higher rights and better protection than I would give the strongest foreigner, whether at home or abroad. I would not allow the most highly skilled and best equipped foreigner to compete at the expense of the less equipped American citizen. We legislate in order that all men can be equal before the law. Then we must give them all an equal opportunity before the law. In enacting tariff legislation we must give the weak the protection that will make him stronger than the strongest foreigner. That is the principle, that is the object, that is the purpose of our Government.

Mr. MARTINE of New Jersey. Mr. President, I desire to say that somewhere and somehow I want to vote for free sugar. Whether I shall have the opportunity or not I do not know, but I believe the time has come for free sugar and a free breakfast table to the American people.

I agree thoroughly in many ways with what is expressed by the Senator from Idaho, particularly where he says it means something to be an American citizen. I have no doubt from his standpoint and point of view the Havemeyers, sugar refiners, multimillionaires, of New York, who have robbed this country of millions of dollars, will think so, too.

I think the Senator will agree with me that Henry T. Oxnard is a pretty good authority on the question of sugar beets and sugar raising. It was his testimony that it cost not more than \$2.80 a hundred to raise sugar beets. This was in 1898. At that time the sugar content of the American beets was no more than 8 to 9 per cent, and the yield per acre no more than 7 or 8 tons. At the hearings before the Ways and Means Committee of the House in 1909 Mr. Oxnard declared that when we attained the German average of sugar content and yield per acre we could stand against the world without any further assistance from the tariff. It developed before the Hardwick committee that this country had equaled, if not surpassed, the German average, the content of our beets having reached above 15 per cent and the yield per acre 14 tons, while in favorable localities of California, Colorado, Utah, and Michigan there had been as high as 22 per cent content and 20 tons' yield per acre.

If he was right about the cost to produce in 1898, how much more cheaply should his company be able to produce now, under these improved conditions? The Spreckels Beet Sugar Co. of

California returned a cost of \$2.70 per hundred pounds in the report to the trust, which owns a half interest, of its earnings for 1910. The Hardwick committee, in a unanimous report, placed the average maximum cost of all factories, good, bad, and indifferent, at \$3.54 per hundred pounds.

Now, Mr. President, I am satisfied, and it seems to me fair-minded and impartial men must be satisfied, from this testimony that the public has been robbed in order to enrich the sugar refineries of the country, and their greed and avarice have not yet been satisfied. They are asking for more, and the pressure on all sides in legislation is for further privileges.

The Michigan Sugar Co., after sweating the people, paid a stock dividend in 1910 of 35 per cent in addition to regular dividends of 1½ per cent upon both preferred and common, and transferred \$1,025,000 to surplus. The Great Western of Colorado had a surplus of \$5,500,000 in 1910, after paying 7 per cent upon \$15,000,000 preferred and 5 per cent upon \$10,000,000 common stock. It has lately been testified by Chester Morey, president of the latter company, in the suit brought by the Government to dissolve the American Sugar Refining Co., that he and H. O. Havemeyer, to use his term, "cut melons" at the rate of \$52.25 per share.

Mr. President, I am unwilling, by my vote, to further swell their dividends, through burdening every breakfast table in the land. No other country in the world would have tolerated such a system of tariff a day. It is robbery pure and simple.

Last year the American Beet Sugar Co. earned \$9,000,000, gross, upon a capitalization of \$20,000,000. Mr. President, to foster through tariff such results and profits at the expense of the American consumer and toiler is brutal. I can not vote to continue such extortion.

Mr. President, I insist that the sugar-refining companies have reached their limit in fairness and common decency; and when I recall the method only a year or two ago, or less than three years ago, when the great refiners of Brooklyn, N. Y., and of Jersey City were found with their hands in the public purse, in the method of manipulating the scales on the wharves and docks in order to falsify the weight of sugars that came to them, they forfeit all respect and consideration at the hands of a fair people.

I believe the zenith of protection in the sugar schedule has been reached, and I shall vote with all earnestness and with a sense of patriotic duty to give the people of this country free sugar. I am as anxious as is the Senator from Idaho to build up industries, but when industries cease to maintain themselves upon proper lines of business methods, when they simply ask the extra pound of flesh in order that their purse may be better filled with the riches and toils of the people, I say it is not patriotism nor good citizenship to sustain them longer. I shall vote for free sugar if the opportunity shall be given me.

The PRESIDENT pro tempore. The question is on the amendment of the committee as amended.

Mr. SIMMONS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from North Carolina raises the question of a quorum, and the roll will be called.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Cullom	Martin, Va.	Smith, Ariz.
Bacon	Cummins	Martine, N. J.	Smith, Ga.
Bailey	Dillingham	Massey	Smith, Mich.
Bankhead	du Pont	Myers	Smith, S. C.
Borah	Fall	Newlands	Smoot
Bourne	Foster	Overman	Sutherland
Bradley	Gallinger	Page	Swanson
Brandegee	Gronna	Paynter	Thornton
Bristow	Heyburn	Penrose	Townsend
Bryan	Hitchcock	Perkins	Warren
Burnham	Johnson, Me.	Poin Dexter	Watson
Catron	Johnston, Ala.	Pomerene	Wetmore
Chamberlain	Jones	Reed	Williams
Clapp	La Follette	Root	Works
Crane	Lodge	Sanders	
Crawford	McCumber	Shively	
Culberson	McLean	Simmons	

The PRESIDENT pro tempore. Sixty-five Senators have answered to their names. A quorum of the Senate is present. The question is on agreeing to the amendment of the committee as amended.

Mr. SIMMONS. Mr. President, I ask for the yeas and nays. The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BAILEY (when his name was called). I am paired with the Senator from Montana [Mr. Dixon] and therefore withhold my vote.

Mr. BRADLEY (when his name was called). I am paired with the senior Senator from Maryland [Mr. RAYNER] and therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. BRANDEGEE (when his name was called). I have a general pair with the junior Senator from New York [Mr. O'GORMAN]. I transfer that pair to the senior Senator from New Jersey [Mr. BRIGGS] and will vote. I vote "yea."

Mr. BURNHAM (when his name was called). I have a general pair with the junior Senator from Maryland [Mr. SMITH]. In his absence, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. I transfer that pair to the junior Senator from Indiana [Mr. KERN] and will vote. I vote "nay."

Mr. WATSON (when Mr. CHILTON's name was called). My colleague [Mr. CHILTON] is absent from the city on account of illness. He, however, is paired with the Senator from Illinois [Mr. CULLOM]. If he were present, my colleague would vote "nay."

Mr. CULLOM (when his name was called). As has just been stated, I have a general pair with the junior Senator from West Virginia [Mr. CHILTON]. If he were present, he would vote "nay," and I should vote "yea."

Mr. DILLINGHAM (when his name was called). I transfer the general pair I have with the senior Senator from South Carolina [Mr. TILLMAN] to the junior Senator from Iowa [Mr. KENYON] and will vote. I vote "yea."

Mr. CUMMINS (when Mr. KENYON's name was called). My colleague [Mr. KENYON] is unavoidably absent. If he were here, he would vote "yea."

Mr. SHIVELY (when Mr. KERN's name was called). My colleague [Mr. KERN] is unavoidably absent from the city. He is paired with the junior Senator from Tennessee [Mr. SANDERS]. I am authorized to say that were he present, my colleague would vote "nay."

Mr. McCUMBER (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. PERCY]. I understand he is absent. Were I at liberty to vote, I should vote "yea."

Mr. PAYNTER (when his name was called). I have a general pair with the Senator from Colorado [Mr. GUGGENHEIM]. He is absent from the Chamber. If he were present, he would vote "yea" and I should vote "nay."

Mr. DU PONT (when Mr. RICHARDSON's name was called). My colleague [Mr. RICHARDSON] is absent from the city. He has a general pair with the junior Senator from South Carolina [Mr. SMITH]. If he were present and free to vote, my colleague would vote "yea."

Mr. SANDERS (when his name was called). I have a pair with the junior Senator from Indiana [Mr. KERN]. I transfer my pair to the Senator from Pennsylvania [Mr. OLIVER] and will vote. I vote "yea."

Mr. SMITH of South Carolina (when his name was called). I have a general pair with the Senator from Delaware [Mr. RICHARDSON]. I transfer that pair to the Senator from Maine [Mr. GARDNER] and will vote. I vote "nay."

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from New Jersey [Mr. BRIGGS]. However, under the transfer as stated by the Senator from Connecticut [Mr. BRANDEGEE], I am at liberty to vote. I vote "nay."

Mr. WETMORE (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. CLARKE]. If I were at liberty to vote, I should vote "yea."

I desire also to state that my colleague [Mr. LIPPITT] is unavoidably detained from the Senate and is paired. If he were present, my colleague would vote "yea."

The roll call was concluded.

Mr. CRAWFORD. I desire to state that my colleague [Mr. GAMBLE] is necessarily absent. He is paired with the Senator from Oklahoma [Mr. GORE]. If present, my colleague would vote "yea."

Mr. McCUMBER. I will transfer my pair with the senior Senator from Mississippi [Mr. PERCY] to the senior Senator from Minnesota [Mr. NELSON] and will vote. I vote "yea."

Mr. WARREN. My colleague [Mr. CLARK of Wyoming] is absent from the Senate and is paired with the Senator from Missouri [Mr. STONE].

Mr. REED. Mr. President, I rise for the purpose of making the same announcement that has just been made by the Senator from Wyoming [Mr. WARREN], that my colleague [Mr. STONE] is paired with the Senator from Wyoming [Mr. CLARK].

Mr. SHIVELY. The senior Senator from Maryland [Mr. RAYNER] is unavoidably absent from the city. He is paired with the junior Senator from Kentucky [Mr. BRADLEY]. I am authorized to say that if the senior Senator from Maryland were present, he would vote "nay."

Mr. CHAMBERLAIN. I am authorized to announce that the senior Senator from Oklahoma [Mr. OWEN] is paired with the senior Senator from Nebraska [Mr. BROWN]. If the Senator from Oklahoma were here, he would vote "nay."

Mr. MARTINE of New Jersey. I am authorized to announce the pair existing between the Senator from Arkansas [Mr. DAVIS] and the Senator from Kansas [Mr. CURTIS]. I make this announcement for the day.

The result was announced—yeas 37, nays 25, as follows:

YEAS—37.

Borah	Dillingham	Massey	Smoot
Bourne	du Pont	McCumber	Stephenson
Brandeggee	Fall	McLean	Sutherland
Bristow	Foster	Page	Thornton
Burton	Gallinger	Penrose	Townsend
Catron	Gronna	Perkins	Warren
Clapp	Heyburn	Polindexter	Works
Crane	Jones	Root	
Crawford	La Follette	Sanders	
Cummins	Lodge	Smith, Mich.	

NAYS—25.

Ashurst	Hitchcock	Overman	Smith, S. C.
Bacon	Johnson, Me.	Pomerene	Swanson
Bankhead	Johnston, Ala.	Reed	Watson
Bryan	Martin, Va.	Shively	Williams
Chamberlain	Martine, N. J.	Simmons	
Culberson	Myers	Smith, Ariz.	
Fletcher	Newlands	Smith, Ga.	

NOT VOTING—32.

Bailey	Cullom	Kenyon	Paynter
Bradley	Curtis	Kern	Percy
Briggs	Davis	Lea	Rayner
Brown	Dixon	Lippitt	Richardson
Burnham	Gamble	Nelson	Smith, Md.
Chilton	Gardner	O'Gorman	Stone
Clark, Wyo.	Gore	Oliver	Tillman
Clarke, Ark.	Guggenheim	Owen	Wetmore

So the amendment as amended was agreed to.

The PRESIDENT pro tempore. If there be no objection, the bill will be reported to the Senate as amended.

The bill was reported to the Senate as amended.

Mr. NEWLANDS. I offer the amendment which I send to the desk.

Mr. LODGE. Is the bill now in the Senate?

The PRESIDENT pro tempore. The bill is now in the Senate.

Mr. LODGE. And the amendment concurred in?

The PRESIDENT pro tempore. Not as yet. The amendment proposed by the Senator from Nevada will be stated.

The SECRETARY. It is proposed to add to the bill the following section:

That the revenue derived from the special excise tax imposed by the act entitled "An act to extend the special excise tax now levied with respect to doing business by corporations to persons and to provide revenue for the Government by levying a special excise tax with respect to doing business by individuals and copartnerships" shall constitute a special fund in the Treasury to be applied to making up any deficit in existing revenue caused by a reduction of customs duties, and any surplus derived from such excise tax above the amount necessary to make up such deficit shall be reserved and applied to the regulation of the navigable rivers, including the prevention of and protection against floods, and the improvement of post and interstate roads in cooperation with the States.

The PRESIDENT pro tempore. If there be no objection, the amendment made as in Committee of the Whole will be concurred in in the Senate. The Chair hears none.

Mr. BACON. I understand if the amendment is concurred in that that will practically cut off amendments to that amendment.

The PRESIDENT pro tempore. The Chair would not think so. Mr. BACON. There is no objection to that, if the Chair will so rule.

The PRESIDENT pro tempore. The Chair will hold that any amendment to the substitute will be in order in the Senate.

The question is upon the amendment submitted by the Senator from Nevada.

Mr. NEWLANDS. Mr. President, my understanding is that the bills which have heretofore passed the other House reducing customs duties, outside of the sugar bill, will produce a deficit in the revenue of about \$16,000,000. I understand that whilst the free-sugar bill as it passed the House makes a reduction of about \$53,000,000 more, that the reduction caused by the Lodge substitute, which will probably pass the Senate, will be about \$16,000,000. I ask the Senator from Massachusetts whether that is correct?

Mr. LODGE. That this bill will do that?

Mr. NEWLANDS. So I understand.

Mr. LODGE. It is estimated that this bill, as it now stands, would reduce the revenue about five and a half million dollars.

Mr. NEWLANDS. All these bills united, then, will reduce the revenue a little over \$20,000,000. We have passed an excise tax bill which, if it becomes a law, will probably raise

\$60,000,000, and our purpose in passing that bill was to make up any deficit caused by a reduction in customs duties. The intention of the Democratic Party is to gradually transfer a portion of the great burden of taxation now imposed upon consumption to wealth, such transfer to be accomplished as the customs duties are reduced. Thus as the burden on consumption is diminished the burden on wealth is to be increased. Naturally that will be a moderate and slow process, inasmuch as the Democratic Party expects to continue to obtain a very considerable portion of the national revenue from customs duties.

Mr. President, the situation then will be this: We will have a revenue of \$60,000,000 from the excise tax to apply to a reduction in customs duties of a little over \$20,000,000. The purpose of my amendment is to guard against employing that money in mere administration, in enlarging the expenses of administration, in, perhaps, wasteful administration. The purpose is to create in the Treasury a fund so that this money derived from wealth shall be applied either to a reduction of customs duties or to the permanently substantial and constructive work of the Nation.

We shall need additional moneys for the constructive work upon which the Government is about to enter. Public opinion is now formed with reference to the development of our waterways as instrumentalities of commerce and not as mere instrumentalities for the waste of public money. Public opinion is demanding continuous work, speedy work, and a large fund for that purpose—at least \$50,000,000 annually for the next 10 years. Public opinion has also determined upon taking the public buildings out of the spoils system and putting them upon the merit system as our civil service has been.

In addition to river development, public opinion is demanding the expenditure by the National Government of a considerable portion of the public funds in post and interstate roads in co-operation with the States. Doubtless before long a bureau of architecture or a board of public works will be organized which, under the advice and with the aid of the best architects, artists, engineers, and constructors of the country, will enter upon a scheme of public buildings adapted to the use and the necessities of the public in the various localities, and doubtless that work will be conducted continuously and without the spasmodic breaks in legislation of which we have had experience in the past. There will be ample need, therefore, of taxing wealth in order to take care of this constructive work, apart from any question of supplying any deficit in the revenue caused by a reduction of customs duties. We will find that the wealth of the country will be less disposed to resist placing an additional burden upon them if they find that the money derived from the tax is to be applied to some substantial and useful purpose. So, Mr. President, in view of these facts, I ask for the adoption of the amendment, and I call for the yeas and nays upon it.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the Senator from Nevada, upon which he demands the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. NEWLANDS. Mr. President, I offer another amendment.

The PRESIDENT pro tempore. The Senator from Nevada offers an amendment, which will be stated.

The SECRETARY. At the end of the bill it is proposed to add the following:

That on the 1st day of January, 1913, a reduction of 10 per cent shall be made in the duties now imposed by law on articles imported into the United States from foreign countries, and that on the 1st day of January of each year thereafter for the period of four years a further reduction of 5 per cent shall be made on such duties until a total reduction of 30 per cent in such duties shall be made: *Provided, however*, That such reductions shall not apply to duties on articles which have been specifically fixed by law at this session of Congress or shall be hereafter specifically fixed by law: *And provided further*, That such reductions shall not apply to duties on articles the importations of which during the previous fiscal year have equaled one-tenth of the production of similar articles in the United States.

Mr. BRISTOW. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nevada yield to the Senator from Kansas?

Mr. NEWLANDS. Certainly.

Mr. BRISTOW. I suggest to the Senator that, since we will import about two and one-half million tons of sugar and only produce about 800,000 tons, his amendment is wholly inapplicable to this bill.

Mr. CLAPP. The provisions of the amendment of the Senator from Nevada do not apply to any duties fixed at this session.

Mr. NEWLANDS. Of course, Mr. President, this amendment will not apply to sugar, because sugar is an article of which

more than one-tenth of the total domestic consumption is imported from abroad. The purpose of the amendment is to confine the reduction by a graduated scale only to duties that are in a greater or less degree prohibitory of importations, and from which no adequate revenue is at present derived. The purpose is to bring every item in our tariff law gradually to a revenue basis. It is not intended to prevent special legislation upon gross abuses such as now exist with reference to the sugar tariff. We can legislate, as we are about to do, definitely and specifically with reference to such excessive duties as have assumed the form of an abuse of the taxing power.

This amendment, I admit, will not reach adequately such extortionate duties as that imposed on sugar, but, on the other hand, it does not prevent action upon such extortionate duties. Contemporaneous with the reduction which will take place under this amendment, action can be taken by Congress upon each one of the great abuses that now exist under the tariff act, and meanwhile, if such action is not taken, such excessive and extortionate duties will be at least reduced within the period of five years 30 per cent by the action of this amendment.

Mr. President, the reason I urge this amendment now is because it is probable that the only revenue bill that will pass at this session of Congress and be signed is the one now pending. The President of the United States can not, in my judgment, refuse to sign a bill which reduces a duty of nearly 100 per cent only a moderate amount. It is extremely probable that all the other bills which we will pass will be vetoed. In that event, if this bill passes and is signed by the President, accompanying it should go this amendment making a gradual and substantial reduction in the tariff during the next five years and operating automatically without further legislation.

I have already suggested, Mr. President, that after four years of tariff discussion, after all the parties have declared themselves for tariff reduction, after each party to legislation, the House, the Senate, and the President, has declared in favor of reduction, we are about to adjourn without any substantial reduction in tariff duties. I can imagine no more lamentable indictment of representative government than such a contingency. We can not wonder that the people will lose confidence in their Representatives if they ascertain that the three parties entitled to participate in legislation, all agreeing that some reduction should be made, are unable to agree upon any reduction; and so far as I am concerned, I am not ready to stand in that position before the people of the United States without protest.

This amendment is objected to by some on this side of the House because it was what I have termed a "brake." Some Senators on this side have indicated to me that they would sustain the amendment if I would take off this brake. In other words, they want an absolute reduction of 30 per cent provided for, without guarding against any contingency of large importations which may endanger American industries. Let me say to them that they are more scrupulous, in my judgment, than the great party assembled at Baltimore was, for that party has declared that this reduction toward an ultimate tariff for revenue will be accomplished without injury to or destruction of any legitimate American industry.

Now, will such injury and destruction come? None will come except through excessive importations—through a flood of importations.

Many of us believe that the fear of these importations is an exaggerated one. I believe it is; but there is no question about it that in previous elections the imagination of the voters has been impressed by the fear of radical tariff reduction, and the vast body of the employees in the protected industries, naturally affiliated with the Democracy in sympathy, have been persuaded by their employers to vote against the Democratic ticket and for the Republican ticket by reason of such alarm.

Then, again, it will be impossible to get any Republican support for this amendment unless such a brake is applied, for Republican support is necessary to pass it, and the Republican stands for protection. He stands candidly for the protection of American industries. Whilst some, and perhaps all of them, desire a reduction in the tariff, they want to stop short of the point where such a reduction will imperil or destroy an American industry. And so I found upon inquiry amongst my Republican friends that they will not support an amendment making a gradual reduction unless it also provides that where you reach the importing level, when the duty is changed from a prohibitory or a highly protective duty into a revenue duty, at that point the reduction shall cease until at least the judgment of Congress shall be taken upon the subject. It seems to me, judging from their standpoint, that that is a rational demand.

So we find that Republican principles require such a brake, and the Democratic platform in its platform declaration justifies it. This brake is not an indorsement of the protective prin-

ciple by Democrats. It is simply a recognition of the fact which our platform recognizes that the industries of the country have unfortunately become adjusted to a high protective tariff, and that in the process of readjustment we should be so moderate in our movements as not to destroy or impair the industries that are the creation of years, that have been built up upon the faith of the existing law, for which Congress is responsible and for which the people themselves are responsible, and that whatever may have been the exactions, whatever may have been the oppressions under the law, no vindictive, no compensatory action for past wrongs is justified.

Mr. President, I hope that this amendment will receive the support of the Senate.

Mr. CLAPP. Mr. President, I know the hour is late, and the Senate is impatient to have a vote upon this bill, but I am going to put on the record of the body a protest against the prevailing method of tariff revision, as I have often done before, and as other Senators in their experience in the House placed on the record theirs when they were Members of that body.

That the American people are agreed that we shall protect our industries I think goes without saying, and whether you call it a protective tariff or apply the appellation of a revenue tariff, it makes little difference, so long as it sufficiently protects. I believe in calling it a protective tariff, for this reason: If a man stands for protection and goes too high, his motive is readily detected, while if he stands assumedly for revenue he may go higher than he ought to and there is no method of detecting his motive. So, Mr. President, whether we call it a protective tariff or a revenue tariff, in the last analysis the subject reaches its settlement at the customhouse. The question of how much importation, as against our own products, must be finally settled by the result at the customhouse.

While the amendment of the Senator from Nevada may not have been worked out to its last analysis and refinement, I believe it is a start in the right direction. I have taken his amendment and gone over the subject until I am thoroughly satisfied that if the amendment went into operation it could at least do no harm to any American industry.

Mr. President, there is another reason why I am going to support the Senator's amendment. If it were not for the misery that comes to this country from panics, it would be utterly grotesque—the picture of a great Nation like ours alternating from panic to monopoly and back from monopoly to panic again through the radical changes to the extremes of tariff. The idea that we must swing the pendulum ever so far one way or the other as to produce a reaction will never bring about that stability in the subject of customs which ought to be established finally in this country, and established upon a reasonable unit alone relieve us of the effect of going from one extreme to the other.

I believe there is a great deal of unnecessary hysteria over this subject, and yet if hysteria produces on the one hand a panic or on the other a reaction which carries protection to the extreme of monopoly again resulting in a reaction to the other extreme, the fact of the panic or the fact of the monopoly is just as absolutely a fact, although it is a psychological condition or a condition of hysteria which produces it.

Now, Mr. President, I believe and I claim no originality in this suggestion; it was embodied in a bill offered in the House some years ago by the Senator who now very ably represents Michigan in this body, Mr. TOWNSEND, and by the senior Senator from Washington, Mr. JONES, three years ago in the Senate—I believe that sooner or later the American people are going to force us to stop making light of men and measures because they may be novel or supported only by a few, and will compel Congress to adopt a system of dealing with the tariff that will relieve it from this extreme of high tariff, then a reaction in favor of low tariff to the point of business depression, and then a swing upward again to monopoly.

We have established an Interstate Commerce Commission. Of course Congress can not delegate authority to fix rates, but Congress can prescribe a rule for railroad rates, and authorize a commission to ascertain the facts and apply the rule, and that is the spirit of our Interstate Commerce Commission and the law under which it acts. There the rule is a shadowy one. The rule is that the rate must be reasonable. It is difficult to ascertain. It is difficult to lay down. It is difficult to define, and it is somewhat shadowy, but answers the constitutional requirement that Congress must lay down a rule for the commission to act under.

I understand to say there is not a legal proposition involved in the creation of a Tariff Commission and the establishment by Congress of a rule for tariffs, and leaving to that commission the ascertainment of the facts and the application of the rule.

That is not involved in that law under which we created an Interstate Commerce Commission and laid down a rule for the rate, and left it to the commission to ascertain the facts and apply the rule. While it would require more care to fix the rule, having regard to revenue and protection, yet the rule itself could be more clearly defined in regard to tariff rates than in regard to railroad rates.

I believe the time will come when the sentiment of the American people will drive Congress—if Congress can not go of its own motion—to that point where it will prescribe a rule for the tariff, create a commission, and leave it to that commission to ascertain and apply the rule.

That because the duty, for instance, upon mercerized cotton or upon any particular article is too high or too low 90,000,000 people should be thrown into the hysteria of a general tariff revision is to my mind absolutely absurd. That is a question which under this plan of a commission and this plan of a law could be settled by that commission, while the other great activities of this country could go on just as to-day a railroad rate from St. Paul to Spokane, for instance, can be settled and the other transportation activities of this country go on.

I believe that time is coming, and believing that the amendment of the Senator from Nevada [Mr. NEWLANDS] is a step in that direction, I for one shall most heartily and cheerfully support it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Nevada.

Mr. NEWLANDS. On that I ask for the yeas and nays.

The yeas and nays were not ordered, and the Chair declared the amendment rejected.

Mr. SIMMONS obtained the floor.

Mr. NEWLANDS. Some Senators around me doubt whether there were not sufficient hands up.

The PRESIDENT pro tempore. The Chair will again ask those in favor of ordering the yeas and nays to raise their hands. [After a count.] Nine have seconded the demand for the yeas and nays.

Mr. HITCHCOCK. There are Senators here seconding it.

The PRESIDENT pro tempore. Not one-fifth.

Mr. LODGE. Not one-fifth, or anything like it.

The PRESIDENT pro tempore. The amendment is rejected. The Senator from North Carolina [Mr. SIMMONS] will proceed.

Mr. SIMMONS. By direction of the minority members of the Committee on Finance, I offer the following amendment as a substitute.

The PRESIDENT pro tempore. The Senator from North Carolina offers an amendment in the nature of a substitute, which will be stated.

The SECRETARY. It is proposed to strike out all after the enacting clause and insert:

That on and after the day six months after the passage of this act there shall be levied, collected, and paid the rates of duty which are prescribed in the paragraphs of this act upon the articles hereinafter enumerated, when imported from any foreign country into the United States, or into any of their possessions (except the Philippine Islands and the islands of Guam and Tutuila), and the said paragraphs and sections shall constitute and be a substitute for paragraphs 216 to 219, inclusive, of section 1 of an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909.

1. Sugar, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75 degrees, sixty-three one-hundredths of 1 cent per pound, and for every additional degree shown by the polariscope test, twenty-four one-thousandths of 1 cent per pound additional, and fractions of a degree in proportion; molasses testing not above 40 degrees, 12 per cent ad valorem; testing above 40 degrees and not above 56 degrees, 1.8 cents per gallon; testing above 56 degrees, 3.6 cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to the polariscope test: *Provided*, That sugar imported from the Republic of Cuba, being a product of the soil or industry of the Republic of Cuba, shall be admitted into the United States at a reduction of duty equal to 20 per cent of the rate of duty hereinbefore provided for.

2. Maple sugar and maple sirup, 2.6 cents per pound; glucose or grape sugar, 1 cent per pound; sugar cane in its natural state, or unmanufactured, 17 per cent ad valorem.

3. Saccharine, 65 cents per pound.

4. Sugar candy and all confectionery not specially provided for in this act, or in the first section of the act cited for amendment, valued at 15 cents per pound or less, and sugars after being refined, when tintured, colored, or in any way adulterated, 2.6 cents per pound and 10 per cent ad valorem; valued at more than 15 cents per pound, 33½ per cent ad valorem. The weight and the value of the immediate coverings, other than the outer packing case or other coverings, shall be included in the dutiable weight and the value of the merchandise.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from North Carolina [Mr. SIMMONS].

Mr. SIMMONS. Mr. President, I desire simply to say that the substitute which I have offered on the part of the minority members of the Finance Committee upon an ad valorem basis reduces the present duty upon sugar 33½ per cent. The amount

of money which will be saved by the taxpayers if this amendment is adopted, upon the basis of the importations of 1910, according to a statement furnished the minority members of the committee by an expert in the Treasury Department, will be \$17,292,945.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from North Carolina [Mr. SIMMONS].

Mr. SIMMONS. On that I demand the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BAILEY (when his name was called). I am paired with the Senator from Montana [Mr. DIXON] and withhold my vote.

Mr. BURNHAM (when his name was called). I withhold my vote because of a pair with the junior Senator from Maryland [Mr. SMITH].

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. I transfer it to the junior Senator from Indiana [Mr. KERN] and will vote. I vote "yea."

Mr. WARREN (when the name of Mr. CLARK of Wyoming was called). I again announce the pair of my colleague [Mr. CLARK] with the Senator from Missouri [Mr. STONE].

Mr. CULLOM (when his name was called). I have a general pair with the junior Senator from West Virginia [Mr. CHILTON]. If he were present and I was allowed to vote, I should vote "nay."

Mr. DILLINGHAM (when his name was called). I transfer my general pair with the senior Senator from South Carolina [Mr. TILLMAN] to the junior Senator from Iowa [Mr. KENYON] and will vote. I vote "nay."

Mr. CRAWFORD (when Mr. GAMBLE's name was called). I again announce the pair of my colleague [Mr. GAMBLE] with the Senator from Oklahoma [Mr. GORE] and will allow this announcement to stand during the other roll calls on this bill.

Mr. CUMMINS (when Mr. KENYON's name was called). My colleague [Mr. KENYON] is absent from the city and under the transfer just made he is paired with the senior Senator from South Carolina [Mr. TILLMAN]. If my colleague were present, he would vote "nay."

Mr. McCUMBER (when his name was called). I again announce my pair with the senior Senator from Mississippi [Mr. PERCY], and transfer it to the senior Senator from Minnesota [Mr. NELSON] and will vote. I vote "nay."

Mr. PAYNTER (when his name was called). I have a general pair with the Senator from Colorado [Mr. GUGGENHEIM]. He is absent. If he were present, he would vote "nay" and I should vote "yea."

Mr. WILLIAMS (when Mr. PERCY's name was called). My colleague [Mr. PERCY] is necessarily absent on business. He is paired, but if he were present he would vote "yea."

Mr. SANDERS (when his name was called). I have a pair with the Senator from Indiana [Mr. KERN]. I transfer it to the junior Senator from Pennsylvania [Mr. OLIVER] and will vote. I vote "nay."

Mr. SMITH of South Carolina (when his name was called). I again announce my pair with the Senator from Delaware [Mr. RICHARDSON]. I transfer it to the Senator from Maine [Mr. GARDNER] and will vote. I vote "yea."

Mr. WATSON (when his name was called). I again announce the transfer that I did on the previous vote, and I will vote. I vote "yea."

Mr. WETMORE (when his name was called). I make the same announcement that I did on the previous vote in regard to my colleague and myself. If I were at liberty to vote, I should vote "nay," and if my colleague were present and free to vote, he would vote "nay."

The roll call was concluded.

Mr. REED. I desire to announce the pair of my colleague [Mr. STONE] with the Senator from Wyoming [Mr. CLARK]. I will state that the Senator from Missouri is necessarily absent from the city.

Mr. CULBERSON. The Senator from Delaware [Mr. DU PONT] with whom I have a pair not having voted, I withhold my vote.

Mr. BRANDEGEE. How am I recorded, Mr. President?

The PRESIDENT pro tempore. The Senator from Connecticut is recorded in the negative.

Mr. BRANDEGEE. I have a pair with the junior Senator from New York [Mr. O'GORMAN]. I make the same announcement that I did on the last roll call with respect to the transfer of that pair, and will let my vote stand.

Mr. BRADLEY. I again announce my pair with the Senator from Maryland [Mr. RAYNER] and withhold my vote. I would vote "nay," if it were not for the pair.

Mr. CHAMBERLAIN. I again announce that the senior Senator from Oklahoma [Mr. OWEN] is paired with the senior Senator from Nebraska [Mr. BROWN]. If the Senator from Oklahoma were present, he would vote "yea."

The result was announced—yeas 24, nays 36, as follows:

YEAS—24.

Ashurst	Hitchcock	Newlands	Smith, Ariz.
Bacon	Johnson, Me.	Overman	Smith, Ga.
Bankhead	Johnston, Ala.	Pomerene	Smith, S. C.
Bryan	Martin, Va.	Reed	Swanson
Chamberlain	Martine, N. J.	Shively	Watson
Fletcher	Myers	Simmons	Williams

NAYS—36.

Borah	Cummins	Lodge	Sanders
Bourne	Dillingham	McCumber	Smith, Mich.
Brandegee	Fall	McLean	Smoot
Bristow	Foster	Massey	Stephenson
Burton	Gallinger	Page	Sutherland
Cañon	Gronna	Penrose	Thornton
Clapp	Heyburn	Perkins	Townsend
Crane	Jones	Poinsette	Warren
Crawford	La Follette	Root	Works

NOT VOTING—34.

Bailey	Cullom	Kenyon	Percy
Bradley	Curtis	Kern	Rayner
Briggs	Davis	Lea	Richardson
Brown	Dixon	Lippitt	Smith, Md.
Burnham	du Pont	Nelson	Stone
Chilton	Gamble	O'Gorman	Tillman
Clark, Wyo.	Gardner	Oliver	Wetmore
Clarke, Ark.	Gore	Owen	
Culbertson	Guggenheim	Paynter	

So the substitute offered by Mr. SIMMONS was rejected.

Mr. BRISTOW. I desire to ask permission to incorporate in the RECORD some tables I quoted from during my remarks.

The PRESIDENT pro tempore. Without objection, that order will be made.

Mr. McCUMBER. I offer an amendment to be inserted at the end of the bill.

The PRESIDENT pro tempore. The amendment will be read.

The SECRETARY. It is proposed to add at the end of the bill the following:

That the act entitled "An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes," approved July 26, 1911, be, and the same is hereby, repealed: *Provided*, That from and after the passage of this act there shall be a duty of \$2 per ton paid on the paper described in section 2 of said act.

Mr. BACON. I desire to offer an amendment to the amendment. I had no information that the matter was going to be brought up and I have had no opportunity to prepare it. I wish to offer the same amendment that I offered to a similar amendment yesterday.

The PRESIDENT pro tempore. The Senator from Georgia offers an amendment to the amendment, which will be read.

The SECRETARY. Strike out the proviso of the amendment and in lieu insert:

Except so far as the same concern the provisions of said act relating to pulp wood, wood pulp, or print paper.

Mr. BACON. Mr. President, I want to say one word about this matter. I have heard some Senators on the other side of the Chamber speak in regard to the reciprocity law as a great menace to some of the industries of this country. I have heard Senators speak most earnestly on that subject and advocate it with all the eloquence and all the vehemence, I might say, of manner which their sincerity and conviction would prompt, and yet on yesterday, when the opportunity was offered to practically do away with all the part of the reciprocity law which did furnish such a menace, such Senators voted against the amendment which would bring about that state of affairs.

Mr. President, as I have understood it, the part of the reciprocity bill which has excited the opposition of Senators—and I will be free to say that no one could criticize them for their opposition to it from their point of view and such dire and injurious effect as they thought would result from the operation of the law—the part of the law, I repeat, which I have understood was the part which furnished the menace which excited their opposition was the part of the law which, when agreed to by Canada, if it should ever do so, would afford the opportunity for the reciprocal interchange, according to the terms of that bill, of the products of Canada and the products of the United States. It has been most earnestly and most eloquently presented within the last few days that there was this menace, which menace might be a reality at any time when Canada should see fit to accede to our proposal for reciprocity; a menace so grave and serious that we should hasten to repeal the law.

Mr. President, I assume that the purpose of the amendment offered by the Senator from North Dakota is to get rid of that part of the reciprocity pact, if I may so call it, which would

give the opportunity for this interchange of products, Canadian and American. The amendment which I have offered to the amendment of the Senator does not interfere in any manner with the repeal of so much of that law as relates to reciprocity. On the contrary my amendment leaves untouched so much of the amendment of the Senator from North Dakota as relates in any manner to reciprocity. My amendment only seeks to retain so much of that reciprocity law as refers to wood pulp and wood connected with that class of products, and print paper. Nobody will say there is any menace in that part relating to wood pulp and print paper which actuates and prompts the earnest opposition of those who object to the reciprocity law. If the amendment offered by the Senator from North Dakota is adopted with my amendment and it becomes law every particle of the reciprocity law which relates to the reciprocal interchange of Canadian and American products free or at reduced rates of duty will be absolutely repealed, and that will be the end of the law. I should like to know, Mr. President, if that is so, why we should hesitate with it. Why do not those who are opposed to the reciprocity law accept my amendment and repeal the law at once? Why trifle with it longer?

I said yesterday, when a similar amendment was proposed, that, so far as I was concerned—I had not then the opportunity to consult with my colleague—if this amendment were adopted I would join Senators on the opposite side of the Chamber in the effort to forever rid ourselves of this menace, as the Senators who are opposed to the reciprocity pact consider it, to the industries of this country in the proposed reciprocal interchange of Canadian and American products. When the vote was taken the large majority of Senators on this side voted that way, and if they were met with a proper spirit on the other side they would do so again, and with an increased majority.

I want to say that while I am not a protectionist, I recognize the foundation upon which Senators have rested their apprehension in regard to the effect of this law as it might affect the industries of the people along the Canadian border or in the neighboring States. I myself do not like the idea of a law resting upon our statute books which those we sought to have reciprocal relations with have repudiated, and I am ready to join with them in its repeal; and I know the majority of Senators on this side are ready to join with them in the repeal of every part of that law which provides for reciprocal interchange of Canadian and American products.

Mr. President, the two Houses of Congress are not now of the same political complexion; there are differences between them; but here is an opportunity which I honestly believe is one which will enable them to get together on this important matter. If Senators are in earnest when they say they believe this reciprocity law is a menace to the industries of the country, and that it is so great a menace that at every opportunity which offers this amendment repealing it is to be presented for action, why will Senators now hesitate to meet us upon this proposition when we present it and say to them that we are ready to join with them in wiping out this reciprocal arrangement?

Mr. CUMMINS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Iowa?

Mr. BACON. I do, with pleasure.

Mr. CUMMINS. I want to be put right upon this matter if I am wrong with regard to my understanding of the situation or the facts. Does the Senator from Georgia understand that if the amendment proposed yesterday from this side, and now again proposed, were to become a law the duty upon print paper would be \$2 per ton from the whole world?

Mr. BACON. I am not prepared to go into that matter. I confess I have not looked at the details of the law recently. But the Senator will pardon me; I shall not elaborate what I said on yesterday, that so far as that part of it is concerned, if there is any change needed it can be dealt with at another time. However, the pressing and the important matter, one which agitates Senators and prompts them to propose this amendment as one which disturbs the people on our northern border, is not the matter connected with wood pulp or print paper. They are not disturbed about wood pulp or print paper, and we are ready to join with you and absolutely and finally repeal every part of this reciprocity law except the part which relates to wood pulp and print paper. Now we have the opportunity to get rid of it. The question as to the particular rate of duty which shall remain on wood pulp should not stand in the way of getting rid of it if it is a matter of such importance as Senators on the other side and some on this side, for that matter, have heretofore recognized it.

Mr. CUMMINS. I supposed the amendment offered by the Senator from Georgia related only to section 2, which concerns paper and the material out of which paper is made. We are getting now from a little part of Canada—I do not know just how much—free paper, free wood pulp, but the rest of the world is paying \$3.75 and \$6 a ton for these same materials. Now, does the Senator from Georgia think that it is an approach toward a revision of the tariff and a reduction of duties to maintain free paper from a small part of Canada rather than to get \$2 per ton on the same material from the whole world and from a large part of Canada, as I understand it, as well?

Mr. BACON. Mr. President, I repeat, the Senator may be right about that and his inquiry may be a most pertinent one to be considered at another time. But here is a simple question, and will you stop on details of that kind? If the general importance of the riddance of ourselves of this reciprocity law is of such magnitude as has heretofore been represented, will you now stop on a question of detail as to what will remain of this law concerning only wood pulp and print paper? If you have the opportunity, as I assure the Senators I have the utmost confidence they have the opportunity, by joining with us in the adoption of this amendment and leaving the question as to the regulation of those details as to wood pulp and print paper for future settlement, ought we not to act now and get rid of this matter of that reciprocity agreement?

Mr. President, I am in favor of getting rid of it. I am in favor of getting rid of it because we have done our part. Canada has refused it, and I do not want a law remaining upon the statute books in which we are in any such position.

Mr. President, there are a great many things that could be said upon this subject, but I want to appeal to Senators. Are you in earnest in the desire to get rid of this reciprocity pact, which you say is a menace; which may become not only a menace, but an actuality, whenever Canada sees proper to consent to it? If you are in earnest, I have the utmost confidence that here is the opportunity to get rid of every feature of that reciprocity agreement which furnishes the menace which you fear and which you wish to destroy. Suppose Senators refuse to take advantage of this opportunity now presented and in the meantime Canada should make the much-dreaded reciprocity a living actuality by passing a law agreeing to the reciprocity. What would Senators then say to their constituents who are demanding its repeal by Congress?

Mr. President, it is said that the question of the annexation of Canada had a good deal to do with the support of this measure by some people in the United States and the opposition to it by some people in Canada. I want to say for myself, Mr. President, and I want to say it in this presence, and I want to say it where it can reach beyond our borders, that I do not believe the people of the United States want the annexation of Canada. I want to say for myself that if the opportunity were furnished me this afternoon to acquire Canada I would vote in the negative. I do not want Canada. I confess the time was in years gone by when I had a feeling that I should have liked for our Government to be extended over a people similar to ourselves in language, in race, and in laws, but I have had occasion to absolutely and utterly change my mind on that subject. I do not believe it is to the interest of the people of the United States ever to have Canada as a part of this Government, and so far as I am concerned every power that is in me would be exercised against it if there was an issue raised on this subject.

I am against it, Mr. President, for two reasons. In the first place, I think this country is big enough. If the essential features of our dual system of government could be preserved as originally designed, the Union could with safety be extended to include an indefinite number of States, each in the exercise of its proper power of local self-government; but if the progress and the tendency toward concentration of all powers in a central government is to increase, it is of the utmost importance that it should grow no larger than it is now. The laws which are suitable to one part of a large country will be unsuited to the local conditions of a distant part of the same country. I will not elaborate that.

But I have another reason, which is a stronger reason with me than that. It is that the people of Canada are a people who, while springing from the same race as ourselves, a people having our language, in a measure our laws, are a people utterly out of sympathy with the nature and the character of the institutions of this Government. They have no possible sympathy with the nature of our Government. They have been trained in a different school of politics. When I say politics I am not referring to party politics; I am referring to governmental policies, to governmental structure, entirely different divisions with altogether different functions and resting upon alto-

gether different principles of the departments of the Government. I believe it would be utterly unsafe to the preservation of our institutions, with our dual system of government, of which they know nothing and with which they have no sympathy, and with our separate divisions of governmental powers, of which they know still less, to incorporate them as a part of our Government.

While I will not take the time of the Senate to discuss this question now, I want to say, in order that our action might not be misunderstood, I did vote for the reciprocity agreement. It is not necessary for me now to state what the reasons or motives were that actuated me in doing so, but I am as earnestly to-day in favor of the repeal of the law as any man who sits on the other side of the Chamber.

I am in favor of it for two reasons. In the first place, I believe that the large majority of people in the tier of States on our northern border, who would be most directly affected by it, are unalterably opposed to it, and I think they are the people whose wishes should be considered in this matter.

In the next place, I am opposed to it because Canada itself has repudiated it, and it is not becoming in us to allow a law to stand upon the statute books which they have declined to avail themselves of and which they will have the opportunity to avail themselves of, if it remains there, whenever they see fit to do so.

Now, Mr. President, let us leave party politics out of this matter. Here is a difference between us, and here is an opportunity to reconcile that difference, and in reconciling it to secure everything of material import which prompts Senators on the other side of the Chamber to favor the repeal of the reciprocity law.

I am in earnest about it, Mr. President, because I think it is important. I do not wish the law to stand upon the statute books when there is an opportunity, as the Senator from Michigan eloquently and forcibly presented to the Senate the other day, for them at their own sweet will to say to us what shall be the law or shall not be the law, according as they may choose to have it one way or the other.

I am ready, Mr. President, not only here, now, to vote for the repeal of so much of that law as relates to the reciprocal interchange of products, but I am ready to say I am opposed to it hereafter. Why? Because I have changed my views as to the advantages to be derived therefrom? No; but because, as stated, I believe I am convinced that the people all along that northern tier of States, who would be most directly affected by it, are opposed to it and believe that it would be a great injury to them, and I think their wishes should be consulted in the matter regardless of party.

Mr. President, I hope this amendment to the amendment will be adopted and that we may get rid of this excrescence of a reciprocity law, for such it is, on our statute books.

Mr. McCUMBER. Mr. President, unlike the Senator from Georgia [Mr. BACON], I do not object to Canadian annexation. They are a very good class of people; they have an excellent country, and I would be very glad to have both the people and the country a part of the United States. But, Mr. President, when I make them a part of the United States I want their allegiance. I want to bring them in under the American flag, and not under a foreign flag. I do not want to give them all of the American opportunities, and at the same time have a foreign allegiance. I do not want to give them the complete opportunities of our better markets, and at the same time impose upon them no obligations to support the country by taxation or in time of war.

I differ entirely with the Senator from Georgia as to the benefits that might be derived had we all that vast territory and that excellent population to add to our own. They are law-abiding citizens; their history is practically the same as ours; their institutions are practically the same as ours; their idea of law and order is certainly as good as ours. With those qualifications they would make excellent American citizens, and with their added territory we would certainly have the accession of a section of country that would for a hundred years, if not longer, banish the boggy of our not being able to produce sufficient food products for the American people.

But, Mr. President, that is neither here nor there at the present time. I agree with the Senator that all of the people in the northern section of the United States are opposed to the Canadian reciprocity law, and we ought to get rid of it. A year ago we extended the hand of reciprocity across the border line to the Canadian people. They refused to grasp the proffered hand, and it is still extending there, waiting until the time arrives when they may see fit to meet us. It does not seem to me that that comports with the dignity of a great nation. The Canadians having once rejected the proposed agreement, we ought to withdraw it now, and not wait until they get ready to determine whether they will change their

mind and accept the propositions which have been made to them.

As to the amendment of the Senator from Georgia, I will say that some time ago a committee was appointed to investigate the question of the production of paper and wood pulp and what would be a proper duty for those articles. That committee made what I presume it considered a very thorough investigation, and, if I remember rightly, it reported as a proper rate of duty to be imposed upon print paper \$2 a ton. Many Senators in the Senate of 1909 thought that was too low, and a higher duty was imposed; but I have heard no one claim that, taking all the importations and considering all the matters which would affect the trade, a duty of \$2 per ton ought not to be levied. That being the case there has been inserted in this amendment just what the committee referred to recommended.

Personally I should be willing, if I could accomplish that, to repeal the reciprocity offer with everything that was connected with it. Part of that agreement went into effect without any action on the part of Canada; and I would say that it would be perfectly proper to withdraw that; but that would bring up again the question of what a great many considered an excessive rate upon print paper, wood pulp, and so forth, and I would prefer to avoid that.

Mr. President, I want to say a word further. If it were proper to adopt this amendment two weeks ago, as it is written here to-day, it is proper to adopt it to-day in that form. If it were proper to adopt it yesterday, it was equally proper, in my opinion, to attach it day before yesterday. I do not know that there has been any change in the conditions between yesterday and to-day that would justify our reversing our vote upon that proposition. It ought to pass.

Senators argued here the other day that they did not wish to place the amendment upon the bill which we had before us at that time because some thought it would jeopardize the bill; and others argued that we had already placed it upon one bill, and that we had better wait to see what would be done with it; but, Mr. President, the matter is pressing and ought to be disposed of. I would sooner vote directly upon a bill specifically repealing the reciprocity law, if I thought I could get it through both Houses, but I am very doubtful if we would have a right under the Constitution to originate in the Senate a bill repealing the reciprocity law, certainly not so far as it had already become effective. That being the case, I want to deal with it in the only way in which it can be dealt with, and I do not want to take any chance. If there is any bill that may possibly become a law during this session upon which we can attach this repeal, I am in favor of attaching it. If the Senator would withdraw his amendment so that we might place the amendment on this bill as we did upon the other bills, I should be perfectly willing that the matter should go to conference, and, of course, the conferees can modify it if after consideration they think they stand a better chance of getting it through both Houses in modified form; but I do insist that we ought to attach a repealing provision as an amendment to every bill that comes over from the other House for the raising of revenue. If the House would send over a bill that dealt with the question of reciprocity alone, I would not then ask that it be attached to any other bill, but, as I can not do that, I hope that it will be placed upon this bill as an amendment and go to conference.

Mr. BACON. Mr. President, I want to say a few words in response to what the Senator from North Dakota has said. So far as the people of Canada are concerned, I certainly do not think anything I said reflected upon their character.

Mr. McCUMBER. Oh, no.

Mr. BACON. The Senator from North Dakota pays a tribute to the people of Canada, every word of which I will echo. What I said had no relation to their character, their intelligence, or their desirability in every way as neighbors. What I said related simply to two features; one was that I thought it was unwise to extend the size of this Government, though I am willing to correct a few border lines that ought to be straightened or extended in some instances; and the other was, that the Canadian people, from their political education, were not properly fitted to take part with us in the support, the maintenance, of our Government and the carrying on and development of our institutions.

I want to say, Mr. President, that my final conclusion upon that subject was largely confirmed by an article which I read last year in September or October from one of the leading newspapers published in Toronto. It was published after the vote in Canada on the reciprocity question and was therefore not written to influence that election. I have no doubt it reflected the views of the people of Canada. I can not now recall the name of the paper, but I wish I had it here that I might read

the article to the Senate, in which there was a general assault upon the political institutions and form of government of the United States. That is not a little paper, but it is one of the principal papers in Canada.

There was a general assault upon our form of Government, upon our method of administration, drawing the contrast between the features of this Government and the features of the Government of Great Britain which have been so closely copied by the Government of Canada, and showing such an utterly radical disagreement with the recognized ideas and policies of our institutions that the idea which I had previously conceived along the same line before that as to the governmental views and prejudices of the people of Canada was largely accentuated and intensified. Of course the utterances of one newspaper could not alone influence my conclusions on so grave a subject, but my previous personal observations and information received through others caused me to recognize and believe the views expressed in that article reflected what are really the views of the larger part of the people of Canada. If so, it is to our interest that they remain on the outside of our northern boundary, and, so far as I am concerned, I hope they will continue to be our good, friendly neighbors, and never a part of us.

I am satisfied, Mr. President, that the political education of that people has unfitted them as a people to come in and be a part of this Government and to be in sympathy with and promote of the development of our institutions under our peculiar Government, founded upon the lines laid down in the Constitution of the United States.

I believe, Mr. President, that their differences with us on those lines go to an extent that amount to a prejudice which it would take generations ever to reconcile or to eradicate. For that reason I hope never to see the day when Canada will become a part of the United States. Unless I should most radically change my view, if the issue were raised and depended upon my single vote, she would certainly not be permitted to become a part of our sisterhood of States.

But, Mr. President, to come immediately to the question of reciprocity, the question of what we shall do to-day. The Senator speaks in earnest terms of the utmost importance that the reciprocity pact shall be abrogated so far as we are concerned; that our proposition for a reciprocity pact with Canada which has not been accepted should be recalled and the law upon which it is based should be repealed. I repeat, Mr. President, that every part of that proposed pact and every part of that law which is so objectionable and distasteful to the people on the northern border will be repealed if the amendment of the Senator from North Dakota is adopted with the amendment which I have proposed to it.

The Senator says a provision repealing the reciprocity law should be attached to every bill, but does the Senator wish to attach it in a way to accomplish no result, or does he wish the accomplishment of the great result of the repeal of that law? The Senator knows by the fact that such an amendment has been attached to a bill which has gone to the other House and to which the House will not agree. The Senator has every reason to know that so long as it stands in that shape, while the Senate may put it on every bill it is not going to pass; and the Senator has every reason to believe that if the amendment repealing the reciprocity law is put on with the amendment which I have proposed—and such an amendment will accomplish all that is desired in repealing the reciprocity law—it will pass and be agreed to and become law. Now, what is the proper course, if the repeal of the reciprocity law is the real purpose?

Mr. McCUMBER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from North Dakota?

Mr. BACON. I do.

Mr. McCUMBER. If the Senator will allow me to ask a question, is there a greater probability of the amendment passing the House if it repeals all of the reciprocity agreement, leaving the duty on print paper at \$3.75 per ton?

Mr. BACON. Mr. President, I am not prepared to go into details as to the rates of duty upon print paper.

Mr. McCUMBER. But does not the Senator agree that if the reciprocity law is repealed as a whole it reinstates the old duty of \$3.75 per ton?

Mr. BACON. I mean to say that the Democrats are in favor of the retention, for the present at least, subject to future changes whenever it shall be shown that they are proper to be made, of that part of the reciprocity law which relates to wood pulp and print paper. I mean to say that if you will remove that from the contention at the present time, I have the utmost confidence that a provision repealing the other features of the reciprocity law can receive the support of both branches of Con-

gress, and I have the same confidence that unless that is done it will not receive the support of Congress. If it is a matter of great, prime importance that the part of the reciprocity law which relates to the reciprocal interchange of products shall be repealed and there is an opportunity to do it and Senators will not avail themselves of that opportunity, upon whom rests the responsibility?

I want to say to Senators now that, unless we are disappointed as to the political control of this country in the near future, in my opinion, the reciprocity law will be repealed by the next Congress along the lines proposed by my amendment, and that Senators on the other side now have the opportunity to join in. I want to say that, so far as I am concerned—and I know I echo the feelings of a great many others—if Senators on the other side maintain their opposition to the repeal of the reciprocity law with the restriction which is suggested by my amendment, the time is not far away, if our anticipations are realized, when we intend to repeal it along those lines. I say we intend to repeal it—I judge so from what Senators and Representatives have said to me—and if we now give you an opportunity to join with us in accomplishing that result, and you will not now accept it, the responsibility is upon you; and when it is done hereafter by ourselves, when we have the power without your aid, you will have no part of the credit for assisting in doing it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Georgia [Mr. BACON] to the amendment of the Senator from North Dakota [Mr. McCUMBER].

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question recurs on the amendment submitted by the Senator from North Dakota.

Mr. WILLIAMS. Let us have the yeas and nays upon that. The PRESIDENT pro tempore. The yeas and nays are demanded. Is there a second?

Mr. BACON. Mr. President, is the bill in the Senate or as in Committee of the Whole?

The PRESIDENT pro tempore. The bill is in the Senate.

Mr. BACON. If we are going to have the yeas and nays on the main amendment, I hope we may be allowed to have the yeas and nays on my amendment to the amendment of the Senator from North Dakota.

The PRESIDENT pro tempore. The Senator from Georgia demands the yeas and nays on his amendment to the amendment of the Senator from North Dakota.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRANDEGEE (when his name was called). I again announce my pair and withhold my vote.

Mr. CULBERSON (when his name was called). In view of my pair, which I have already announced, I withhold my vote.

Mr. DILLINGHAM (when his name was called). I transfer my pair with the senior Senator from South Carolina [Mr. TILLMAN] to the junior Senator from Iowa [Mr. KENYON] and will vote. I vote "nay."

Mr. CUMMINS (when Mr. KENYON's name was called). My colleague [Mr. KENYON] is absent. Through a transfer he is paired with the senior Senator from South Carolina [Mr. TILLMAN]. If my colleague were present and at liberty to vote, he would vote "nay."

Mr. McCUMBER (when his name was called). I again announce my pair with the senior Senator from Mississippi [Mr. PERCY] and the transfer of that pair to the senior Senator from Minnesota [Mr. NELSON]. I vote "nay."

Mr. SWANSON (when the name of Mr. MARTIN of Virginia was called). My colleague [Mr. MARTIN] has been called from the Senate by important matters. If he were present, he would vote "yea."

Mr. PAYNTER (when his name was called). I withhold my vote because of the absence of the Senator from Colorado [Mr. GUGGENHEIM], with whom I have a general pair.

Mr. WILLIAMS (when Mr. PERCY's name was called). My colleague [Mr. PERCY] is necessarily absent and is paired. If my colleague were present, he would vote "nay."

Mr. SANDERS (when his name was called). I transfer my pair with the junior Senator from Indiana [Mr. KERN] to the junior Senator from Pennsylvania [Mr. OLIVER] and will vote. I vote "nay."

Mr. SMITH of South Carolina (when his name was called). I again announce my pair with the Senator from Delaware [Mr. RICHARDSON], which I transfer to the Senator from Maine [Mr. GARDNER] and will vote. I vote "yea."

Mr. WATSON (when his name was called). I transfer my general pair with the Senator from New Jersey [Mr. BRIGGS]

to the senior Senator from Virginia [Mr. MARTIN] and will vote. I vote "yea."

The roll call was concluded.

Mr. CHAMBERLAIN (after having voted in the affirmative). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. I transfer that to the Senator from Indiana [Mr. KERN] and allow my vote to stand. While I am on my feet I desire to make the same announcement as on previous roll calls in reference to the pair of the Senator from Oklahoma [Mr. OWEN] with the Senator from Nebraska [Mr. BROWN].

Mr. REED. I desire to announce the necessary absence of my colleague [Mr. STONE] and the fact that he is paired with the Senator from Wyoming [Mr. CLARK].

Mr. WARREN. I again announce the unavoidable absence of my colleague [Mr. CLARK] and his pair, as just stated by the Senator from Missouri, with the colleague of the Senator from Missouri [Mr. STONE].

Mr. SMITH of Michigan. The junior Senator from Kentucky [Mr. BRADLEY] is unavoidably absent. He is paired with the Senator from Maryland, [Mr. RAYNER]. The Senator from Kentucky requested me to announce that if he were present and not paired he would vote "nay."

The result was announced—yeas 21, nays 34, as follows:

YEAS—21.

Ashurst	Hitchcock	Poindexter	Smith, S. C.
Bacon	Johnston, Ala.	Pomerene	Swanson
Bankhead	Martine, N. J.	Reed	Watson
Chamberlain	Myers	Shively	
Clapp	Newlands	Simmons	
Fletcher	Overman	Smith, Ariz.	

NAYS—34.

Borah	Dillingham	McCumber	Smoot
Bourne	Fall	McLean	Stephenson
Bristow	Foster	Massey	Sutherland
Bryan	Gallinger	Page	Thornton
Burton	Gronna	Penrose	Townsend
Catron	Heyburn	Perkins	Warren
Crane	Johnson, Me.	Root	Williams
Crawford	Jones	Sanders	
Cummins	Lodge	Smith, Mich.	

NOT VOTING—39.

Bailey	Cullom	Kern	Percy
Bradley	Curtis	La Follette	Rayner
Brandegee	Davis	Lea	Richardson
Briggs	Dixon	Lippitt	Smith, Ga.
Brown	Du Pont	Martin, Va.	Smith, Md.
Burnham	Gamble	Nelson	Stone
Chilton	Gardner	O'Gorman	Tillman
Clark, Wyo.	Gore	Oliver	Wetmore
Clarke, Ark.	Guggenheim	Owen	Works
Culberson	Kenyon	Paynter	

So Mr. BACON's amendment to Mr. McCUMBER's amendment was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from North Dakota [Mr. McCUMBER].

Mr. WILLIAMS. Let us have the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CHAMBERLAIN (when his name was called). I desire to announce again my pair with the junior Senator from Pennsylvania [Mr. OLIVER], which I transfer to the Senator from Indiana [Mr. KERN] and will vote. I vote "nay."

Mr. CULBERSON (when his name was called). In view of my general pair with the Senator from Delaware [Mr. DU PONT], in his absence I withhold my vote. I wish this announcement to stand for the day.

Mr. DILLINGHAM (when his name was called). In view of my pair with the senior Senator from South Carolina [Mr. TILLMAN], I withhold my vote.

Mr. JOHNSON of Maine (when Mr. GARDNER's name was called). My colleague [Mr. GARDNER] is necessarily absent from the city. If he were present, he would vote "yea."

Mr. McCUMBER (when his name was called). I again announce my pair, and transfer it to the senior Senator from Minnesota [Mr. NELSON] and will vote. I vote "yea."

Mr. PAYNTER (when his name was called). I again withhold my vote by reason of my pair with the Senator from Colorado [Mr. GUGGENHEIM].

Mr. SANDERS (when his name was called). I transfer my pair with the Senator from Indiana [Mr. KERN] to the junior Senator from Pennsylvania [Mr. OLIVER] and will vote. I vote "yea."

Mr. SMITH of South Carolina (when his name was called). I announce my pair with the Senator from Delaware [Mr. RICHARDSON], and in his absence withhold my vote.

Mr. WATSON (when his name was called). Making the same transfer as upon the previous vote, I vote "nay."

The roll call was concluded.

Mr. SMITH of Michigan. I again announce the absence of the Senator from Kentucky [Mr. BRADLEY] and his pair with the Senator from Maryland [Mr. RAYNER]. If present, the Senator from Kentucky would vote "yea."

Mr. SWANSON. My colleague [Mr. MARTIN] has been called from the Senate by very important business. If he were present, he would vote "nay." He is paired with the Senator from New Jersey [Mr. BRIGGS].

Mr. REED. I desire to make the same announcement with reference to the absence of my colleague, and the fact that he is paired that I heretofore made.

The result was announced—yeas 24, nays 31, as follows:

YEAS—24.

Borah	Gallinger	McCumber	Smith, Mich.
Burton	Gronna	Massey	Smoot
Catron	Heyburn	Page	Stephenson
Clapp	Johnson, Me.	Penrose	Thornton
Crane	Jones	Perkins	Townsend
Foster	La Follette	Sanders	Warren

NAYS—31.

Ashurst	Cummins	Myers	Simmons
Bacon	Fall	Newlands	Smith, Ariz.
Bankhead	Fletcher	Overman	Sutherland
Bourne	Hitchcock	Poindexter	Swanson
Bristow	Johnston, Ala.	Pomerene	Watson
Bryan	Lodge	Reed	Williams
Chamberlain	McLean	Root	Works
Crawford	Martine, N. J.	Shively	

NOT VOTING—39.

Bailey	Cullom	Kenyon	Percy
Bradley	Curtis	Kern	Rayner
Brandegee	Davis	Lea	Richardson
Briggs	Dillingham	Lippitt	Smith, Ga.
Brown	Dixon	Martin, Va.	Smith, Md.
Burnham	du Pont	Nelson	Smith, S. C.
Chilton	Gamble	O'Gorman	Stone
Clark, Wyo.	Gardner	Oliver	Tillman
Clarke, Ark.	Gore	Owen	Wetmore
Culberson	Guggenheim	Paynter	

So Mr. McCUMBER's amendment was rejected.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BACON. Mr. President, I wish to say just one word before the bill is put upon its passage. If I had had the opportunity in the parliamentary changes which have been presented I should have voted for the House bill and would still vote for the House bill if given an opportunity to do so.

I voted for the amendment proposed by the minority members of the Finance Committee, because it reduced the rate below the present rate. I voted against the substitute proposed by the Senator from Massachusetts [Mr. LODGE], because while it reduced the rate of duty it was not so low as the rate in the bill for which it was proposed as a substitute.

I wish to say that now that the substitute of the Senator from Massachusetts has been adopted over my vote to the contrary, and stands in the place of the House bill, and now that the alternative is between voting for the bill as it has been perfected by the adoption of the Lodge substitute on the one hand and the sugar duty of the Payne-Aldrich law on the other hand, I shall vote for the bill as now amended by the substitute, not because the rate of duty provided therein is satisfactory to me, but because that rate is lower than the rate in the existing law.

Mr. MARTINE of New Jersey. Mr. President, I desire to indorse the sentiment expressed by the Senator from Georgia [Mr. BACON]. I shall vote for the bill as a makeshift; it is by no means what I desire or that which I feel the American people have the right to expect.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. HEYBURN. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRANDEGEE (when his name was called). I again announce my pair with the junior Senator from New York [Mr. O'GORMAN].

Mr. CHAMBERLAIN (when his name was called). I transfer my pair, as heretofore announced, and will vote. I vote "yea."

Mr. DILLINGHAM (when his name was called). I transfer the general pair I have with the senior Senator from South Carolina [Mr. TILLMAN] to the junior Senator from Iowa [Mr. KENYON] and will vote. I vote "yea."

Mr. CUMMINS (when Mr. KENYON's name was called). My colleague [Mr. KENYON] is necessarily absent. By transfer he stands paired with the Senator from South Carolina [Mr. TILLMAN]. If my colleague were here and free to vote, he would vote "yea."

Mr. McCUMBER (when his name was called). I again announce my pair and transfer it to the senior Senator from Minnesota [Mr. NELSON] and will vote. I vote "yea."

Mr. SWANSON (when the name of Mr. MARTIN of Virginia was called). My colleague [Mr. MARTIN] has been called away from the Chamber on very important matters. He desired me to say that if he were present he would vote "yea," giving as a reason that this bill is a reduction on the present law.

Mr. PAYNTER (when his name was called). I have a general pair with the Senator from Colorado [Mr. GUGGENHEIM]. If he were present, he would vote "yea," and I myself feel at liberty to vote. I vote "yea."

Mr. WILLIAMS (when Mr. PERCY's name was called). I again announce the necessary absence of my colleague [Mr. PERCY], the fact that he is paired, and that if he were present, he would vote "yea."

Mr. SANDERS (when his name was called). I again announce the transfer of my pair, and I will vote. I vote "yea."

Mr. SMITH of South Carolina (when his name was called). I again announce my pair with the junior Senator from Delaware [Mr. RICHARDSON], and I withhold my vote.

Mr. WATSON (when his name was called). Upon this vote I am reliably informed that the senior Senator from New Jersey [Mr. BRIGGS] would vote "yea." I therefore feel at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. BRANDEGEE. I was requested to announce that the junior Senator from New Hampshire [Mr. BURNHAM] stands paired with the junior Senator from Maryland [Mr. SMITH]. If the junior Senator from New Hampshire were present and at liberty to vote, he would vote "yea."

Mr. SMITH of Michigan. I make the same announcement as on the previous vote in regard to the Senator from Kentucky [Mr. BRADLEY]. If he were present he would vote "yea." He is paired with the Senator from Maryland [Mr. RAYNER]. He is unavoidably detained from the Chamber.

Mr. REED. I desire to make the same announcement in reference to the absence and the pair of my colleague [Mr. STONE] that I have heretofore made.

Mr. LODGE. I desire to announce the pair of the Senator from Kansas [Mr. CURTIS] with the Senator from Arkansas [Mr. DAVIS] on this vote.

Mr. WARREN. My colleague [Mr. CLARK of Wyoming] is necessarily absent from the Chamber. He stands paired with the senior Senator from Missouri [Mr. STONE].

The result was announced—yeas 52, nays 3, as follows:

YEAS—52.

Ashurst	Cummins	Massey	Shively
Bacon	Dillingham	Myers	Simmons
Bankhead	Fall	Newlands	Smith, Ariz.
Borah	Fletcher	Overman	Smith, Mich.
Bourne	Gallinger	Page	Smoot
Bristow	Gronna	Paynter	Stephenson
Bryan	Hitchcock	Penrose	Sutherland
Burton	Jones	Perkins	Swanson
Cañon	La Follette	Polindexter	Townsend
Chamberlain	Lodge	Pomerene	Warren
Clapp	McCumber	Reed	Watson
Crane	McLean	Root	Williams
Crawford	Martine, N. J.	Sanders	Works

NAYS—3.

Foster	Heyburn	Thornton
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NOT VOTING—39.

Bailey	Cullom	Johnston, Ala.	Percy
Bradley	Curtis	Kenyon	Rayner
Brandegee	Davis	Kern	Richardson
Briggs	Dixon	Lea	Smith, Ga.
Brown	du Pont	Lippitt	Smith, Md.
Burnham	Gamble	Martin, Va.	Smith, S. C.
Chilton	Gardner	Nelson	Stone
Clark, Wyo.	Gore	O'Gorman	Tillman
Clarke, Ark.	Guggenheim	Oliver	Wetmore
Culberson	Johnson, Me.	Owen	

So the bill was passed.

STREET RAILWAY IN SOUTH HILO, HAWAII.

Mr. CLAPP. I entered yesterday a motion to reconsider the votes by which the bill (H. R. 18041) granting a franchise for the construction, maintenance, and operation of a street railway system in the district of South Hilo, county of Hawaii, Territory of Hawaii, was ordered to a third reading and passed. The bill has been returned from the House, and I ask for action on the motion to reconsider.

The motion to reconsider was agreed to.

Mr. CLAPP. On page 3, line 1, after the word "passengers," I move to insert the word "freight."

The amendment was agreed to.

Mr. CLAPP. I ask that the bill be put on its passage.

The bill was ordered to a third reading, read the third time, and passed.

LANDS IN WYOMING.

Mr. SMOOT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 100) authorizing the Secretary of the Interior to permit the continuation of coal-mining operations on certain lands in Wyoming, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same with an amendment as follows: Strike out of the House amendment the words "July 1, 1913," and insert in lieu of the words stricken out the words "otherwise provided by law"; and the House agree to the same.

REED SMOOT,
C. D. CLARK,
GEORGE E. CHAMBERLAIN,
Managers on the part of the Senate.

JOSEPH T. ROBINSON,
EDWARD T. TAYLOR,
F. W. MONDELL,
Managers on the part of the House.

The report was agreed to.

TARIFF DUTIES ON WOOL.

Mr. SMOOT. I ask that there be printed for the use of the Senate document room 200 copies each of the amendments offered by the Senator from Pennsylvania [Mr. PENROSE], the Senator from Wisconsin [Mr. LA FOLLETTE], and the Senator from Massachusetts [Mr. LODGE] to the bill known as the wool bill. At the document room there are no copies of the amendments left, and there is no authority to print them, as they were offered from the floor.

The PRESIDENT pro tempore. Without objection, that order will be made.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 6 o'clock and 12 minutes p. m.) the Senate adjourned until Monday, July 29, 1912, at 12 o'clock m.

NOMINATIONS.

Executive nominations received by the Senate July 27, 1912.

COLLECTOR OF CUSTOMS.

Dascar O. Newberry, of North Carolina, to be collector of customs for the district of Albemarle, in the State of North Carolina. (Reappointment.)

PROMOTION IN THE PUBLIC HEALTH AND MARINE-HOSPITAL SERVICE.

Grover A. Kempf, of Ohio, to be assistant surgeon in the Public Health and Marine-Hospital Service of the United States, to take effect from date of oath.

UNITED STATES DISTRICT JUDGE.

John M. Cheney, of Florida, to be United States district judge, southern district of Florida, vice James W. Locke, resigned.

APPOINTMENTS IN THE ARMY.

To be second lieutenants with rank from July 22, 1912.

CAVALRY ARM.

Corpl. Roy Oscar Henry, Troop A, Eleventh Cavalry.
Pvt. William Earle Dorman, Troop D, Fifteenth Cavalry.
Corpl. John Coleman Prince, Troop G, Eleventh Cavalry.
First Sergt. Lindsley Dykeman Beach, Troop C, Thirteenth Cavalry.

FIELD ARTILLERY ARM.

Corpl. John Dilworth von Holtzendorff, Troop G, Eleventh Cavalry.

INFANTRY ARM.

Sergt. Ralph Samuel Kimball, Company E, Fourth Infantry.
Corpl. Francis Bernard Mallon, Company I, Fifth Infantry.
Sergt. Lathrop Boyd Clapham, Company M, Twenty-ninth Infantry.
Pvt. Carl James Adler, Company M, Twenty-ninth Infantry.
Corpl. Otto Godfrey Pitz, Battery F, Second Field Artillery.
Corpl. Theophilus Steele, Company G, Seventh Infantry.

Quartermaster Sergt. Burton Young Read, Troop F, Seventh Cavalry.

Corpl. George Hubert Gardiner, Company B, Twenty-ninth Infantry.

Corpl. Dabney Carter Rose, Fifteenth Recruit Company.

PROMOTIONS IN THE NAVY.

Commander George R. Evans to be a captain in the Navy from the 1st day of July, 1912, to fill a vacancy.

Lieut. Julius F. Hellweg to be a lieutenant commander in the Navy from the 10th day of May, 1912, to fill a vacancy.

Lieut. (Junior Grade) John S. McCain to be a lieutenant in the Navy from the 1st day of July, 1912, to fill a vacancy.

Midshipman Albert C. Roberts to be an ensign in the Navy from the 8th day of June, 1912, in accordance with the provisions of an act of Congress approved March 7, 1912.

POSTMASTERS.

ALASKA.

Augustus E. Kindell to be postmaster at Skagway, Alaska, in place of Augustus E. Kindell. Incumbent's commission expired May 20, 1912.

ILLINOIS.

Hugh P. Faught to be postmaster at Tower Hill, Ill., in place of Hugh P. Faught. Incumbent's commission expired March 10, 1912.

Zeno J. Rives to be postmaster at Litchfield, Ill., in place of William T. Thorp. Incumbent's commission expired March 12, 1912.

LOUISIANA.

Mary G. Pearsall to be postmaster at Bogalusa, La., in place of Mary G. Pearsall. Incumbent's commission expired May 14, 1912.

MISSOURI.

Dwight L. Bishop to be postmaster at Garden City, Mo., in place of Dwight L. Bishop. Incumbent's commission expired March 10, 1912.

NEW MEXICO.

John Becker to be postmaster at Belen, N. Mex., in place of John Becker. Admission of Territory as State.

Fred O. Blood to be postmaster at East Las Vegas, N. Mex., in place of Fred O. Blood. Admission of Territory as State.

George L. Bradford to be postmaster at Dawson, N. Mex., in place of George L. Bradford. Admission of Territory as State.

George M. Chandler to be postmaster at Cimarron, N. Mex., in place of George M. Chandler. Admission of Territory as State.

Louis Garcia to be postmaster at Springer, N. Mex., in place of Louis Garcia. Admission of Territory as State.

Spence Hardie to be postmaster at Vaughn, N. Mex., in place of Spence Hardie. Admission of Territory as State.

John M. Hawkins to be postmaster at Alamogordo, N. Mex., in place of John M. Hawkins. Admission of Territory as State.

Robert W. Hopkins to be postmaster at Albuquerque, N. Mex., in place of Robert W. Hopkins. Admission of Territory as State.

Lucius E. Kittrell to be postmaster at Socorro, N. Mex., in place of Lucius E. Kittrell. Admission of Territory as State.

Ignacio Lopez to be postmaster at Las Vegas, N. Mex., in place of Ignacio Lopez. Admission of Territory as State.

Joseph McQuillin to be postmaster at San Marcial, N. Mex., in place of Joseph McQuillin. Admission of Territory as State.

John S. Mactavish to be postmaster at Magdalena, N. Mex., in place of John S. Mactavish. Admission of Territory as State.

Piedad Medina to be postmaster at Wagon Mound, N. Mex., in place of Piedad Medina. Admission of Territory as State.

O. C. Officer to be postmaster at Raton, N. Mex., in place of Frank A. Hill. Admission of Territory as State.

J. P. Porter to be postmaster at Estancia, N. Mex., in place of Nicholas D. Meyer. Admission of Territory as State.

Arthur H. Rockafellow to be postmaster at Roswell, N. Mex., in place of Arthur H. Rockafellow. Admission of Territory as State.

NORTH CAROLINA.

Estella Cameron to be postmaster at Rockingham, N. C., in place of Estella Cameron. Incumbent's commission expired February 13, 1911.

Roy C. Flanagan to be postmaster at Greenville, N. C., in place of Roy C. Flanagan. Incumbent's commission expired March 2, 1912.

John R. Joyce to be postmaster at Reidsville, N. C., in place of John R. Joyce. Incumbent's commission expired January 28, 1912.

OHIO.

James D. Carpenter to be postmaster at Lodi, Ohio, in place of James D. Carpenter. Incumbent's commission expired May 16, 1910.

J. W. McKee to be postmaster at Celina, Ohio, in place of Charles A. McKim. Incumbent's commission expired May 16, 1912.

OKLAHOMA.

Jasper P. Grady to be postmaster at Hartshorne, Okla., in place of Merrel L. Thompson, resigned.

John L. Morgan to be postmaster at Waurika, Okla., in place of John L. Morgan. Incumbent's commission expired April 28, 1912.

Donald B. Munro to be postmaster at Frederick, Okla., in place of Frances K. Ahern. Incumbent's commission expired February 17, 1912.

OREGON.

Charles E. Culbertson to be postmaster at Clatskanie, Oreg., in place of Michor E. Page, resigned.

PORTO RICO.

Alfredo Gimenez y Moreno to be postmaster at Bayamon, P. R., in place of Alfredo Gimenez y Moreno. Incumbent's commission expired May 26, 1912.

Hortensia R. O'Neill to be postmaster at San German, P. R., in place of Hortensia R. O'Neill. Incumbent's commission expired May 26, 1912.

Simon Semidei to be postmaster at Yauco, P. R., in place of Simon Semidei. Incumbent's commission expired May 26, 1912.

SOUTH CAROLINA.

Walter E. James to be postmaster at Greer, S. C., in place of Isham A. Mayfield, deceased.

CONFIRMATIONS.

Executive nominations confirmed by the Senate July 27, 1912.

POSTMASTERS.

ALABAMA.

Thomas J. Kennamer, Ensley.

John H. McEniry, Bessemer.

IOWA.

Louis F. Bousquet, Pella.

John M. Wormley, Kingsley.

KANSAS.

Henry S. Mueller, Sedgwick.

NEW HAMPSHIRE.

Lafely Leroy Blodgett, Lisbon.

NEW MEXICO.

John Becker, Belen.

Fred O. Blood, East Las Vegas.

George L. Bradford, Dawson.

George M. Chandler, Cimarron.

Louis Garcia, Springer.

Spence Hardie, Vaughn.

John M. Hawkins, Alamogordo.

Robert W. Hopkins, Albuquerque.

Lucius E. Kittrell, Socorro.

Ignacio Lopez, Las Vegas.

Joseph McQuillin, San Marcial.

John S. Mactavish, Magdalena.

Piedad Medina, Wagon Mound.

O. C. Officer, Raton.

J. P. Porter, Estancia.

Arthur H. Rockafellow, Roswell.

NEW YORK.

David Akers, Hillburn.

Emily V. Auryansen, Sparkill.

Janet S. Green, Narrowsburg.

Louis M. Spaulding, Albion.

Francis Worden, Coxsackie.

WITHDRAWAL.

Executive nomination withdrawn July 27, 1912.

POSTMASTER.

WEST VIRGINIA.

M. F. Kiger, Williamstown.

HOUSE OF REPRESENTATIVES.

SATURDAY, July 27, 1912.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Be very near to us, O Father; we need Thee every moment. Thou art infinite, we are finite. Thou knowest all things, we know only a little. Thou art almighty, we are very weak. Thou art divine, we are human; sometimes our zeal displaces judgment, sometimes our desires dethrone reason. Sometimes our egotism makes us forget our dependence upon Thee and we wander far afield. Control our thoughts, direct our ways that we may be profitable servants unto Thee our Father. Amen.

The Journal of the proceedings of yesterday was read and approved.

WOOL AND MANUFACTURES OF WOOL.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 22195, an act to reduce the duties on wool and manufactures of wool, have a reprint of the same ordered, printing and numbering the Senate amendments, and to disagree to the Senate amendments and send the bill to conference.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] asks unanimous consent to take the wool bill from the Speaker's table and have it printed with the Senate amendments numbered, and to disagree to the Senate amendments and ask for a conference. Is there objection?

Mr. PAYNE. Reserving the right to object, Mr. Speaker, I suppose the bill will go to conference eventually anyway. It has been suggested to me to offer a motion to agree to the bill with the amendment offered to it which I offered before, and which was voted unanimously on this side as a substitute for the Senate bill. Having had a record vote on that, I am disposed to let it go to conference without any vote this morning and not make any objection to it.

The SPEAKER. Is there objection?

Mr. WARBURTON. Mr. Speaker, reserving the right to object—

Mr. ANDERSON of Minnesota. I object, Mr. Speaker.

Mr. UNDERWOOD. Mr. Speaker, I ask that the Speaker refer the bill to the Committee on Ways and Means.

The SPEAKER. The bill is referred to the Committee on Ways and Means.

EXTENSION OF REMARKS.

Mr. NORRIS. Mr. Speaker, I want to submit, so that there may be no question about it, a request to extend and revise the remarks that I made the other day. I think I made the request, but the manuscript I have from the reporters does not show it.

The SPEAKER. The gentleman from Nebraska [Mr. NORRIS] asks unanimous consent to extend in the RECORD the remarks which he made the other day. Is there objection? [After a pause.] The Chair hears none.

THE RECORD.

Mr. WARBURTON. Mr. Speaker, in the CONGRESSIONAL RECORD of this morning there appears a speech of the gentleman from Wyoming [Mr. MONDELL]. During the delivery of that speech I made some interruptions, and I particularly requested that I might see the RECORD before it was printed, but it was not sent to me. In the speech as revised there are some mistakes which I wish to correct.

The SPEAKER. Does the gentleman claim that his remarks are not properly set forth?

Mr. WARBURTON. Just a moment. I have requested the official reporters to give me a copy of the official report; and next week I desire to make some corrections of the speech as printed and also possibly to make a few remarks in reference to the subject then under discussion.

ALASKA.

Mr. FLOOD of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 38) providing for legislative assembly in the Territory of Alaska, and ask that it be printed, with the Senate amendments numbered, and to disagree to the Senate amendments and ask for a conference.

The SPEAKER. The gentleman from Virginia [Mr. FLOOD] asks unanimous consent to take from the Speaker's table the bill H. R. 38, and that the same be printed, with the Senate amendments numbered, and to disagree to the Senate amendments and ask for a conference. The Clerk will report the title.

The Clerk read as follows:

An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes.

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, there are several amendments to this bill, introducing entirely new matter, which I think ought to be considered in some shape in the House. I think the gentleman ought to let the bill go to his committee and report it back in the usual way. I shall, therefore, have to object.

Mr. FLOOD of Virginia. Mr. Speaker, I ask that the bill be referred to the Committee on the Territories.

The SPEAKER. The bill is referred to the Committee on the Territories.

CONTINUATION OF COAL MINING IN WYOMING.

Mr. ROBINSON. Mr. Speaker, I call up the conference report on Senate joint resolution 100.

The SPEAKER. The Clerk will report the title.

The Clerk read as follows:

Senate joint resolution 100, authorizing the Secretary of the Interior to permit the continuation of coal-mining operations on certain lands in Wyoming.

Mr. ROBINSON. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

The conference report is as follows:

CONFERENCE REPORT (NO. 1052).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to Senate joint resolution No. 100, authorizing the Secretary of the Interior to permit the continuation of coal-mining operations on certain lands in Wyoming, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same with an amendment as follows:

Strike out of the House amendment the words "July first, nineteen hundred and thirteen," and insert in lieu of the words stricken out the words "otherwise provided by law," and that the House agree to the same.

JOS. T. ROBINSON,
EDWARD T. TAYLOR,
F. W. MONDELL,

Managers on the part of the House.

REED SMOOT,
C. D. CLARK,
GEO. E. CHAMBERLAIN,

Managers on the part of the Senate.

The statement was read, as follows:

STATEMENT.

The conferees on the part of the House on the conference asked by the Senate on the disagreeing votes of the two Houses on Senate joint resolution No. 100 report that the conference agreement leaves the legislation as it passed the House, except that the time limit during which the Secretary of the Interior may arrange for the continuation of the coal-mining operations is stricken out and the termination of the operations is left to the discretion of Congress.

JOS. T. ROBINSON,
EDWARD T. TAYLOR,
F. W. MONDELL,

Managers on the part of the House.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON. Yes; I yield.

Mr. MANN. As I understand, there was a time limit in this resolution as passed by the House?

Mr. ROBINSON. Yes; July 1, 1913.

Mr. MANN. Yes; fairly restrictive; and that, under the conference report now, there is practically no time limit at all.

Mr. ROBINSON. If the gentleman will permit me, I will make a statement. The original bill, as passed by the Senate, authorized the continuance of these operations under the order issued by a Federal court in Wyoming. The Interior Department suggested that in lieu of that bill there should be enacted a provision authorizing the continuance of mining operations on all lands where mines have been established and where the claims to the lands had been rejected. The Committee on the Public Lands of the House did not think it proper under a

bill of this character to consider legislation of that general kind, but on account of the necessity existing in that peculiar locality we did decide that it was necessary to authorize the continuance of the operations by the Owl Creek Mining Co., and therefore we provided that they might be continued until July 1, 1913. The Senate agreed to that amendment, with an amendment providing that the operations might be continued until further action by Congress. The House conferees agreed to that amendment, for the reason that to refuse to do so might make necessary action by Congress again concerning the subject matter, and because under the amendment Congress can take action on the matter at any time it desires under the amendment suggested by the Senate. We did not believe it desirable to enact a general leasing provision in a bill like this.

Mr. MANN. Mr. Speaker, the original bill as it passed the House provided that a certain company should have the right to mine coal on terms to be fixed by the Secretary of the Interior until July 1, 1913.

Mr. ROBINSON. Yes.

Mr. MANN. That was to tide over an emergency situation. Under that bill, when passed, if the company desired to continue operations after July 1, 1913, it would have to secure additional legislation from Congress, either general or special. Now, the conference committee strikes out that limitation and puts in a provision that means nothing—that they may have this right until Congress shall otherwise provide. Of course Congress can otherwise provide at any time. Regardless of that, Congress can legislate upon the subject, whether it is in this bill or not. That provision does not confer any rights upon Congress. We already have the authority to legislate. This provision is a mere subterfuge, a mere throwing of sand in the eyes of Congress. It means nothing except to give this company an indefinite right to mine coal on property which we claim does not belong to it; and then the company, instead of seeking to encourage legislation from Congress, will do everything it can to prevent legislation by Congress.

Mr. FOSTER. And it also settles a lawsuit that has been pending for some time, and is now pending in court?

Mr. MANN. Yes.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. MANN. Yes; I yield.

Mr. MONDELL. The gentleman from Illinois wants to be fair, and—

Mr. MANN. Oh, I have heard that so often that I am tired of it. I am fair.

Mr. MONDELL. I presume the gentleman is. The time limit fixed in the provision in the House bill is so brief that there was no way of determining whether the cases between the Government and the company could be settled in that time or not. They may not be settled for a year or more. The cases are not determined at this time, and until they are determined these operations ought to continue; and we simply provide that they shall continue until otherwise provided by law.

Now, if the cases are settled, the Secretary of the Interior can at any time call the attention of Congress to the matter, and action can be had. The idea was simply to avoid the necessity of coming to Congress again within a year.

Mr. MANN. In the one case the company, having its right expire, will want to bring it to the attention of Congress; and in the other case the company, having an indefinite right, will use all its powers to prevent its coming to Congress.

Mr. MONDELL. I do not understand that the coal company would have any power or influence to prevent a matter from coming to Congress. I want to call attention to the fact that the Secretary of the Interior reported favorably upon a proposition indefinite in time.

Mr. ROBINSON. Now, Mr. Speaker, under the bill, if this amendment is agreed to, the Secretary of the Interior has the power to prescribe any regulations or any rules that he sees fit to make, and impose any reasonable charge for rental that he may desire. There is ample power to safeguard every interest of the Government. The objection to the suggestion for general legislation made by the Secretary of the Interior comes from those who oppose the establishment of a leasing system.

There are many members of the committee who believed that that ought to be done. Others objected to it very strenuously, and we regarded it as impracticable to inject a question of that importance into the consideration of a bill of this kind. But the bill does recognize, in a sense, the right of the Government in this particular case to lease these lands, although that term is not used in the bill; and I submit to the gentleman from Illinois, who I regret is not now listening, but who says he is always fair, and who is always so prompt to approve himself and to confirm his own judgment, that there can be no objection on the part of the Government to this proceeding, unless it

be that the legislation is not general enough and does not extend far enough.

I have already stated the reasons that moved the committee not to report a general leasing bill affecting all lands on which mining operations are being conducted and the title to which is in litigation. It would effect no useful purpose to fix a time limit unless it can be known when the litigation will end, and the committee could not determine when the litigation will end.

There is nothing to indicate that it will be determined by the 1st of July, although when the House committee reported our amendment we thought probably it would terminate by that time. But upon the termination of the litigation, if it terminates in favor of the United States, Congress will then undoubtedly act further in the matter. Until the litigation is terminated there ought not to arise any necessity for further legislation.

Mr. MANN. Is it not a fact that the petition which was presented for the passage of this bill set out as a reason for passing it that the litigation would probably be determined last winter during the cold weather, when the miners would be thrown out of employment in the wintertime and have no opportunity for any other employment? Now, the gentleman says that although they were then alleging as a reason for passing the bill that the litigation would be determined last winter, it will probably not be determined by a year from the 1st of July.

Mr. ROBINSON. The gentleman knows that the litigation was not determined last winter, so that that statement in the petition, if it was contained there, is now immaterial, and it merely emphasizes the necessity for not placing a restriction in the bill that will make further legislation necessary before the litigation is finished.

Mr. MANN. The reason stated in the petition for passing the bill has fallen to the ground, because the litigation was not determined last winter.

Mr. ROBINSON. There are other reasons that must be apparent to the gentleman, who is evidently acquainted with the situation there. There are hundreds of persons employed in that mine. The operation of the mine is almost of absolute necessity to that community, as well as to the people who are employed in the mine, and it would be absurd and ridiculous for the Congress to legislate twice on the same proposition and be compelled to legislate on it again before the litigation is determined. I believe the proposition is thoroughly tenable; that the Senate amendment improves the bill and does not in any sense injure the Government.

Mr. MANN. Why did not the conferees then provide that this right should be granted until the litigation was determined, instead of granting it indefinitely, so that it will continue, and will not be interfered with, probably, for the next 50 years?

Mr. ROBINSON. That amendment came to conference in the terms that I have suggested, and I submit to the gentleman that it is adequate to carry out the purposes of the legislation, which is to permit the operations to continue until Congress stops them. I ask that the conference report be agreed to.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

NAVAL MANEUVERS, NARRAGANSETT BAY.

Mr. EVANS. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk. It is very short and will only take a minute.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 644.

Resolved, That the Secretary of the Navy be directed, if not incompatible with the public interest, to send to the House of Representatives a complete report of the naval maneuvers held this month of July, 1912, in and around Narragansett Bay, in which maneuvers, according to press reports, six battleships have shown themselves to be helpless against the attack of submarines.

Mr. EVANS. The only reason why I ask—

The SPEAKER. Is there objection?

Mr. MANN. Reserving the right to object, I should like to inquire respectfully whether it is the policy of the Speaker to recognize gentlemen to ask unanimous consent to pass bills or resolutions before they have been introduced regularly?

The SPEAKER. The policy of the Chair has never changed. That is, that under the rule these resolutions go to the basket; but occasionally there is a resolution of pressing necessity that the Chair has taken the liberty of entertaining by the general consent of the House.

Mr. MANN. Disagreeing with the Chair about the pressing necessity of this resolution—

The SPEAKER. The Chair is not talking about the pressing necessity of this one.

Mr. MANN. I am asking about this one. I do not think it is of pressing necessity, and therefore I object.

The SPEAKER. The regular course will be for the resolution to go through the basket.

UINTA INDIAN RESERVATION, UTAH (H. DOC. NO. 892).

Mr. STEPHENS of Texas. Mr. Speaker, I ask unanimous consent to have printed as a House document the reports of E. P. Holcombe and James M. McLaughlin, special Indian inspectors, on the conditions found by them existing on the Uinta Indian Reservation in Utah.

The SPEAKER. The gentleman from Texas asks unanimous consent to have printed as a House document a report on the Uinta Indian Reservation in Utah. Is there objection?

Mr. MANN. Reserving the right to object, what is the purpose of it? Is it to help get through this \$3,500,000 judgment, or steal, or whatever you call it?

Mr. STEPHENS of Texas. It has some relation to that matter. These inspectors have made a recent report upon irrigation conditions there.

Mr. MANN. If the gentleman would present a request to have printed as a public document the history of the legislation resulting in that judgment, which ought to cast a blush of shame over honest Members of Congress, I would not object, nor will I object to this.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

NAVAL APPROPRIATION BILL.

Mr. PADGETT. Mr. Chairman, a few days ago I gave notice that on Tuesday next, July 30, 1912, I would call up for consideration the conference report on the naval appropriation bill. A number of gentlemen say they can not be here at that time. I desire to give notice now that I shall call it up for consideration on Thursday, August 1, 1912.

STEEL INVESTIGATION.

Mr. GARDNER of Massachusetts. Mr. Speaker, I ask unanimous consent to make a very short statement with reference to the minority report of the Stanley steel committee.

Mr. MANN. How much time does the gentleman desire?

Mr. GARDNER of Massachusetts. Only about a minute.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to make a brief statement respecting the minority report of the Stanley steel investigating committee. Is there objection?

There was no objection.

Mr. GARDNER of Massachusetts. Mr. Speaker, the views of the minority of the Stanley steel committee went to the printer three days ago, and yesterday at 1.30 p. m. were given to the press for future release.

I make this statement for the reason that the view on the steel industry given out by Col. Roosevelt last night singularly correspond in two respects with the conclusions of the minority. These two respects relate to the labor situation and to that part of the Stanley bill which deals with corporations which control over 30 per cent of the domestic product of a given article. Of course Col. Roosevelt has made an error in confusing a rebuttable presumption of unreasonableness with an absolute prohibition in the case of corporations of that sort, but that is a mistake which any man might make on a superficial examination of the Stanley-Brandeis bill.

I know that the world is censorious, and I fear lest it might say that the minority of the Stanley steel committee had purloined the colonel's views, if I were to neglect to point out that we gave our views to the press several hours earlier than the colonel gave out his advance statement.

GENERAL DEFICIENCY APPROPRIATION BILL.

Mr. FITZGERALD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 25970, the general deficiency appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the general deficiency bill, with Mr. HAMMOND in the chair.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SURVEYING THE PUBLIC LANDS.

To enable the Commissioner of the General Land Office to complete the examination and classification of lands within the limits of the Northern Pacific grant under the act of July 2, 1864 (13 Stats., 365), as provided in the act of February 26, 1895 (28 Stats., 683), such examination and classification when approved by the Secretary of the Interior to have the same force and effect as a classification by the mineral land commissioners provided for in said act of February 26,

1895, the unexpended balance, not exceeding \$4,500, of the appropriation of \$10,000 for the fiscal years of 1911 and 1912, provided in the deficiency act approved March 4, 1911, is hereby continued and made available for expenditure in the examination and classification of said lands during the fiscal year ending June 30, 1913.

Mr. THAYER. Mr. Chairman, I propose to speak for a few minutes on the subject of trusts and the Sherman Act, and in that connection it will be necessary for me to refer to remarks hitherto made by me in reference to the same matter. On May 4, 1911, I addressed the House of Representatives as follows:

"Mr. THAYER. Mr. Chairman, I shall not allude to the size nor the intelligence of this audience. The one is apparent and, I trust, the other will become as evident as I proceed with my discourse. I do not speak, however, merely for the information of this House, but for that far wider audience which reads the daily newspapers and occasionally dips into the CONGRESSIONAL RECORD. Before commencing upon the subject matter of my talk I wish to say a few words to the gentleman from Pennsylvania [Mr. FOCHT], who preceded me. He says that a great many of his Democratic friends hold their seats in this House on account of the abstention of the Republican voters. That may be true of some, but for my district I will say that the vote cast in this last election was over 1,000 larger than that cast in 1908, and that is true of all the vote in Massachusetts. [Applause on the Democratic side.]

"The gentleman from Pennsylvania also alluded to the expense which we would incur in this extra session. Now, the Democrats are not responsible one whit for this extra session, but it was the contumacy of the other branch of the Republican Legislature, the Senate, that caused it. But for my part I welcome this session, and I say that the slight expense to which we are putting the Government of the United States is well repaid by the relief which this House, at least, will offer to the American people. [Applause on the Democratic side.]

"Yesterday the House listened to the able and eloquent speech of my colleague from Massachusetts [Mr. WEEKS], a colleague whose district is adjacent to my own and whose district was enriched in redistricting in 1900 by several safe Democratic towns from the third congressional district, my own, trusting in the assured Republican strength of his and in the weakness which would come to the third district; but the Democratic incumbent at that time was successful in retaining the seat for the Democracy for the two terms which he occupied. He then voluntarily retired, and in this last election the calculations of the Republicans were again upset and the third district became again Democratic. Surely the Lord tempereth the votes to the shorn district. But I bespeak from my Republican colleague in this redistricting, which happened on account of the Massachusetts Congressmen being increased from 14 to 16, a redistricting which I opposed—I bespeak from him the return of my Democratic ewe lambs, and I trust he will not give me back some of those deserted shoe villages with which his county, as well as my own, is so much encumbered. I would ask his reasons for the decadence of these shoe towns, if it is due to the high tariff which has been put upon their products.

"In his discussion of the altruistic business methods of the United Shoe Machinery Co., I asked him if he had in mind the act which was passed by the Massachusetts Legislature in 1907 forbidding a clause of their lease which restricted the lessees from buying or leasing any other machinery from any other vendors or lessors except the said company, and he said he had that in mind, but when I asked him to have that act read from the Clerk's desk he said he could not take up his time to do that. I will ask the indulgence of the House, in the performance of my public duty, to have read this act of 1907 and the supplementary act of 1908 against monopoly. I will ask that the Clerk read act 469 of 1907.

"The CHAIRMAN. The Clerk will read the act in the gentleman's time.

"The Clerk read as follows:

"Be it enacted, etc., as follows:

"SECTION 1. No person, firm, corporation, or association shall insert in or make it a condition or provision of any sale or lease of any tool, implement, appliance, or machinery that the purchaser or lessee thereof shall not buy, lease, or use machinery, tools, implements, or appliances or material or merchandise of any person, firm, corporation, or association other than such vendor or lessor; but this provision shall not impair the right, if any, of the vendor or lessor of any tool, implement, appliance, or machinery protected by a lawful patent right vested in such vendor or lessor to require, by virtue of such patent right, the vendee or lessee to purchase or lease from such vendor or lessor such component and constituent parts of said tool, implement, appliance, or machinery as the vendee or lessee may thereafter require during the continuance of such patent right: *Provided*, That nothing in this act shall be construed to prohibit the appointment of agents or sole agents to sell or lease machinery, tools, implements, or appliances.

"SEC. 2. Any person, firm, corporation, or association, or the agent of any such person, firm, corporation, or association, that violates the provisions of this act shall be punished for each offense by a fine not exceeding \$5,000.

"All leases, sales, or agreements therefor hereafter made in violation of any of the provisions of this act shall be void as to any and all of the terms or conditions thereof in violation of said provisions."

"An act relative to monopolies and discriminations in the sale of articles or commodities in common use.

"Be it enacted, etc., as follows:

"SECTION 1. Every contract, agreement, arrangement, or combination in violation of common law in that whereby a monopoly in the manufacture, production, or sale in this Commonwealth of any article or commodity in common use is or may be created, established, or maintained, or in that thereby, competition in this State in the supply or price of any such article or commodity is or may be restrained or prevented, or in that thereby, for the purpose of creating, establishing, or maintaining a monopoly within this State of the manufacture, production, or sale of any such article or commodity, the free pursuit in this State of any lawful business, trade, or occupation is or may be restrained or prevented is hereby declared to be against public policy, illegal, and void.

"SEC. 2. The attorney general, or, by his direction, a district attorney, may bring an action in the name of the Commonwealth against any person, trustee, director, manager, or other officer or agent of a corporation, or against a corporation, to restrain the doing in this Commonwealth of any act herein forbidden or declared to be illegal, or any act in, toward, or for the making or consummation of any contract, agreement, arrangement, or combination herein prohibited, whenever the same may have been made. The superior court shall have jurisdiction to restrain and enjoin any act herein forbidden or declared to be illegal.

"SEC. 3. In such action no person shall be excused from answering any questions that may be put to him, or from producing any books, papers or documents, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him, but no person shall be prosecuted in any criminal action or proceedings, or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he may testify, or produce evidence, documentary or otherwise, in any such action.

"SEC. 4. Nothing in section 1 of this act shall be construed as impairing, repealing, or superseding any statute of this Commonwealth. Approved April 28, 1908."

"The discussion of this farmers' free-list bill has already been worn almost to attenuation, but this phase has not been extensively dwelt upon. The gentleman from Indiana has already referred to the fact that at the time my colleague was defending this trust at the Senate end of the Capitol its methods were being pitilessly disclosed. 'Thus the whirligig of time brings about its revenges,' but not often so quickly. It is more like that incident in the New Testament where, while one disputant was protesting against the facts, the feet of those who had borne out the other protestant were already at the door, and in this matter I refer not to the protagonist but to the principal. The conditions of shoe manufacturing in Massachusetts had become so scandalous that in 1907 a movement was started to restrain the abuses which the United Shoe Machinery Co. had injected into its methods. There were long and acrimonious hearings at the statehouse, in which the most eminent and expensive counsel took part.

"The proponents of this act were represented by Hon. Herbert Parker, a former Republican attorney general of the Commonwealth of Massachusetts. Instead of business men of small means having the opportunity to engage in business with leased machinery, the United Shoe Machinery Co. was but the controlling power in a long line of manufacturers, compelling tribute of a greater part of the profits and owning the body, soul, and brain of the hapless men who have been entangled in its net, a slavery as absolute as that of the Incas of Peru. These acts were passed, after a hard struggle, as a measure of relief to the manufacturers, but subsequent events have shown their futility. Recently an opponent named Plant attempted to start an independent organization and began operations on a great scale and with every prospect of success, but suddenly, almost before the promise of relief had been presented to the manufacturers, the Plant system was absorbed by the United Shoe Machinery Co. It transpired that in order to finance his factory Mr. Plant had been obliged to borrow largely from the banks, which had, indeed, solicited his custom, but in some mysterious way all of Plant's notes had found their way into the possession of the United Shoe Machinery Co., and suddenly he was met by the demands for their payment.

"There was no option but that which the United Shoe Machinery Co. offered, and this independent organization was absorbed by the monopoly. This is instructive in itself as showing for what purposes the accumulated deposits of the common people are used, like the pinions of the eagle, to their own destruction. It is unnecessary to ask 'Upon what meat has this our Caesar fed that he has grown so great?' There has been competent testimony that a machine which the United Shoe Machinery Co. leases for \$1,200 a year it sells outright to foreign purchasers for \$400—a difference of \$19,600 computed on a 6 per cent basis, of \$23,600 computed on a 5 per cent basis, and \$29,600 computed on a 4 per cent basis. And then we are asked not to remove the duty from the product because, perforce, the foreign manufacturer is using American machinery and will undersell our own manufacturers. If there are more elevated

heights of impudence it remains for some Peary to discover them or some Cook to assume to. As to the reliefs we are entitled to, there are several. First, the removal of all duties from all products of monopoly, whether machinery or product. Second, the invocation of the United States law. I am inclined to agree with Senator BAILEY and the United States Supreme Court as enunciated in *Continental Wall Paper Co. against Lewis Voigt & Sons Co.* (148 Fed. Rep., 939, 950) as pertinent:

"The consumer, at last, is the only real victim. It is the consumer who makes up the public, which it is the object of the law to protect against undue exaction through illegal combinations in restraint of freedom of commerce and fair play in commercial transactions.

"It ill becomes monopolies like the United Shoe Machinery Co., which is throttling independent manufacturers and has become the arbitrary head of a great part of the shoe business, to cry out that we are destroying an American industry when we are reducing the cost of living to that class which works the hardest and receives the least reward for its labor. Conditions will not be bettered until we not only meet their challenge but remove, as above stated, the duties on their products, which are only an extortion on the American people, and, further, refuse admission to interstate commerce of all products of monopolies of whatever kind or nature.

"He that withholdeth corn—

"And by corn I opine Solomon meant not only all cereals but all the necessities of life—

"the people shall curse him, but blessings shall be upon the head of him that selleth it.

"[Applause.]"

On May 15, 1911, the decision in the Standard Oil case was handed down, and on May 29, 1911, the decision in the American Tobacco case, in which cases the contract or monopoly legislated against was by judicial interpretation declared to be only such as was "undue" or "unreasonable." On June 8, 1911, I introduced into the House H. R. 11380 and H. R. 11381, which, as amended, became H. R. 24115 and H. R. 24116, and are set forth in full further on. They had been contemplated for some time previously. They were, however, intended to extend the provision of the Sherman Antitrust Act, but also intended to cover all cases, whether the restraint of trade or competition was sufficient to create a monopoly or not. I am not aware that there is any dispute as to the essential facts on which these remedial bills are based. It is apparent that at least one industry in this country has acquired such a control over certain machines, first by patents, and then when these had expired, by the conditions which naturally follow from the business situation evolved from the manipulation of these monopolies. I use "monopoly" in the last sentence as a patent monopoly and not in the antitrust sense.

By means of the control of certain essential machinery used in the shoe industry the United Shoe Machinery Co. forced the shoe manufacturers to use machinery, and in some cases material, under their control and gradually stifled a competition in the manufacture of shoe machinery.

The Massachusetts condition has been referred to and the measures passed by the legislature for relief, but owing to the extent of territory in the United States in which the manufacture of shoes is carried on, it seemed best that these provisions should be embodied in national legislation and made broad enough to prevent any such restraint of trade or competition as I have set forth. Whether fostered by the patent laws or by monopoly gained thereunder, or by any other method, the evils of monopolies like those set forth are self-evident, and do not need any extensive comment.

All are well acquainted with the monopolistic growth of the last 25 years, and, I believe, are eager to restrain everything that tends to injure the community as a whole. It has been shown and evidenced that not only does monopoly of this kind stifle invention, but also inventions which are obtained by such a monopoly are held back from use as long as possible, so that practically out-of-date machines have to be continued in our manufactories and will be continued until foreign competition grows so keen that they have to be replaced in order to save the life of the monopoly. Last summer it was proposed to put shoes on the free list. Shoe manufacturers complained that they could not continue to manufacture if this was done, although the present tariff is 10 per cent, and although a few years ago the shoe manufacturers had stoutly maintained that they needed no protection whatever; but the burdens imposed upon them by the United Shoe Machinery Co. monopoly were so great that they had been obliged to retract this statement. It has been shown by figures in the Patent Office that patents taken out by the United Shoe Machinery Co. have been pending from 5 to 13 years. It is possible, or rather it is probable, that with the example of this corporation other monopolies of the same

kind will soon grow up and control other business interests as it has controlled the shoe interests.

I asked the Commissioner of Patents if he had any statements in regard to patents in general, as to how long they were in the office, and he stated that he had not, and that he would have to take each patent individually and determine from that how long it had been after the application before it was issued. We have some few statements, showing how long the different patents that the United Shoe Machinery Co. have recently taken out were in the Patent Office before finally issued. This ranged from 5 to 15 years.

The evils which these bills attempt to forestall are set forth in language which is sufficiently explicit for all to understand. Other concerns than the United Shoe Machinery Co. have used its methods, which have resulted in monopolies, restriction of trade, and suppression of useful patents. There have been extended hearings on these bills before the House Judiciary Committee; and the necessity of such legislation has been repeatedly demonstrated since these hearings began.

In the famous case of Sidney Henry et al. against A. B. Dick Co., Chief Justice White said:

But the result of this analysis serves at once again to establish, from another point of view, that the ruling now made in effect is that the patentee has the power, by contract, to extend his patent rights so as to bring within the claims of his patent things which are not embraced therein, thus virtually legislating by causing the patent laws to cover subjects to which, without the exercise of the right of contract, they could not reach, the result being not only to multiply monopolies at the will of an interested party, but also to destroy the jurisdiction of the State courts over subjects which from the beginning have been within their authority.

Again, a curious anomaly would result from the doctrine. The law in allowing the grant of a patent to the inventor does not fail to protect the rights of society; on the contrary, it safeguards them. The power to issue a patent is made to depend upon considerations of the novelty and utility of the invention and the presence of these prerequisites must be ascertained and sanctioned by public authority, and although this authority has been favorably exerted, yet when the rights of individuals are concerned the judicial power is then open to be invoked to determine whether the fundamental conditions essential to the issue of the patent existed. Under the view now maintained of the right of a patentee by contract to extend the scope of the claims of this patent it would follow that the incidental right would become greater than the principal one, since by the mere will of the party rights by contract could be created, protected by the patent law, without any of the precautions for the benefit of the public which limit the right to obtain a patent.

But even if I were to put aside everything I have said and were to concede for the sake of argument that the power existed in a patentee, by contract, to accomplish the results which it is now held may be effected, I nevertheless would be unable to give my assent to the ruling now made. If it be that so extraordinary a power of contract is vested in a patentee, I can not escape the conclusion that its exercise, like every other power, should be subject to the law of the land. To conclude otherwise would be but to say that there was a vast zone of contract lying between rights under a patent and the law of the land, where lawlessness prevailed and wherein contracts could be made whose effect and operation would not be confined to the area described, but would be operative and effective beyond that area, so as to dominate and limit rights of everyone in society, the law of the land to the contrary notwithstanding.

And the President said December 5, 1911, in his message on the antitrust statute:

I see no objection—and indeed I can see decided advantages—in the enactment of a law which shall describe and denounce methods of competition which are unfair and are badges of the unlawful purpose denounced in the antitrust law. The attempt and purpose to suppress a competitor by underselling him at a price so unprofitable as to drive him out of business, or the making of exclusive contracts with customers under which they are required to give up association with other manufacturers, and numerous kindred methods for stifling competition and effecting monopoly, should be described with sufficient accuracy in a criminal statute on the one hand to enable the Government to shorten its task by prosecuting single misdemeanors instead of an entire conspiracy, and, on the other hand, to serve the purpose of pointing out more in detail to the business community what must be avoided.

And again, May 10, 1912, in his message on the patent law:

In recent years, however, combinations based upon patents have been formed which have succeeded in controlling very largely the output of particular industries, and this control has been extended by contracts based upon the patents, requiring the users of patented machines to buy from the corporations owning the patents or from firms under their control supplies or other articles to be used in connection with the patented machines. Some of the circuit courts of appeal have held that such contracts, based upon patents, were valid, and that those who violated the terms of such contracts were liable as contributory infringers. The correctness of such decisions has recently received the approval of the Supreme Court of the United States in the case of Sidney Henry et al. v. A. B. Dick Co., by the vote of four justices of the seven who heard the case. An application for a rehearing of that case by the full bench was made and denied, so that the construction put upon the existing law in that case must be regarded as conclusive. Several bills have been introduced into Congress, as I am informed, to obviate the effect of this decision so as to prevent a patentee from extending by contract the monopoly secured to him under the patent law. This question calls for careful consideration.

On this subject the Boston Herald said in an editorial September 29, 1910:

PATENT MONOPOLIES.

One of the many changes that have been made in the leases of the United Shoe Machinery Co. in recent years has an importance that

should not be overlooked. It is so strikingly suggestive of the general plan by which ordinary patent rights have been supplemented by the power of leases and the grip of the monopoly on the shoe-manufacturing industry has been perpetuated that it may, in a measure, be said to be the keystone of the structure which has been built up. Former leases of the company contained a clause stipulating that the lessee should pay as rent or royalty a certain sum for each pair of various kinds of boots, shoes, or other footwear "manufactured or prepared whether wholly or in part by the aid of the leased machinery or any part thereof," a previous paragraph in the same lease (relating in this case to turned goods) having stipulated that the "leased machinery shall be used only in the manufacture of boots, shoes, and other footwear, the soles of which are or shall be attached to their uppers by turn sewing machines hereby or by other instrument heretofore or hereafter leased to the lessee by the lessor or its assignor." The later leases contain a similar clause, but with an important change, stipulating that the rent or royalty shall be paid on each pair of boots, shoes, or other footwear "which shall have been in whole or in part attached to welts by the use of any welting or stitching or sewing machinery," or, in the case of turned product, "the soles of which shall have been sewed or attached to their uppers in whole or in part by the use of any sewing or stitching machinery."

It is significant that during the past few years important patent rights on shoe-stitching machinery has expired, and that what was for many years a seemingly insurmountable obstacle for the creation of an independent line of shoe machinery has been removed. The early stitching machine, which in many respects is as serviceable as any improved machine protected by later patents, is now free from the restrictions of patents and is available for any shoe manufacturer. The rights of the patentee or his assigns, as fixed by law for a reasonable and just period, have been observed. But, although the restrictions of the patent rights have been ended, the manufacturer using any part of the monopoly system must continue to pay full royalty on every pair of shoes of his product the soles of which have been sewed or stitched on "any" machine. By virtue of the lease there is therefore secured an indefinite perpetuation of the patent monopoly. Although the essential patent rights on the stitching machine expired more than a year ago, leases issued within the past year have bound the shoe manufacturer to pay royalty on every pair of shoes the soles of which have been sewed, stitched, or attached to the uppers by "any" machinery for a period of 17 years.

Technical discussion of the lease would be folly for a layman. Representing, as it does, the perfecting labor of years and the professional skill of the monopoly's corps of counselors, it requires on its technical side similarly able and expert handling. But the layman, especially the shoe manufacturer and the shoe worker, can appreciate fully the condition created by this system of leases superimposed on patent rights, and although unqualified to judge whether or not the lease is "law" can form a conclusion whether or not it is just and consistent with the general welfare. And every man is competent to form his share of public opinion to demand, if necessary, new law by which justice and equity can be enforced.

Some points in the lease which are the basis of the shoe manufacturers' complaint have been pointed out. The lessee is required to keep the machinery in such state of repair as may be determined by the inspectors of the lessor, buying all parts exclusively of the company at such prices as they may determine. At the expiration of the lease he must return the machinery to the company's headquarters and pay such sum as may be deemed necessary to put the machine in condition suitable to lease to another lessee. And beyond that he must pay to the lessor the sum of \$150 as partial reimbursement for deterioration, etc. He must use the machinery exclusively on shoes made by the monopoly's system, and he is bound to use the machines to their full capacity, limited only by the extent of his factory product. Various other conditions are imposed in this ironclad lease, and, finally, lest some holes may have been made by the legislative "bomb" of 1907, every vulnerable part of the lease is protected by an additional plate of armor, which declares that "independently of and in addition to all other rights, the lessor shall have the right to terminate this lease and license at any time upon 30 days' notice." Apparently the law of 1907 is a worthless protection to the shoe manufacturer. He still holds a 30-days' lease of his shoe-manufacturing equipment, subject to the grace and pleasure of the shoe-machinery monopoly.

It can not be contended that such conditions are healthful. The normal rights of the patentee against which no one protests are being exploited to the detriment of the industry. Inventive genius except as it chooses to serve the monopoly is stifled for want of a market. An unwarranted tribute is laid on the shoe manufacturer and in turn on the shoe wearer. There has been and continues to be an enormous aggregation of surplus profits to fortify the monopoly against attack. The situation demands a remedy. If present laws are inadequate, the prosecuting officers of the Government who are the custodians of the people's interests, should speedily determine that fact by a test in the courts. Then, if necessary, the legislatures should act.

The New York Journal of Commerce, January 31, 1912:

A REASONABLE PATENT-LAW AMENDMENT.

Whatever may be thought of the bill introduced in the House of Representatives by Mr. THAYER, of Massachusetts, relating to restrictive terms and conditions in selling, leasing, or licensing patented articles, there can be no doubt that the brief and simple measure "regarding the date of patents, time allowed for interference claims in extending date, and annulment of patents," ought to be passed. We can see no reasonable ground of objection to it and much reason why it should become law.

The first section, which is only half a dozen lines long, provides that when patents are issued they shall date back to the time of the application, except that in case of interference they shall date from the time of the settlement of interference, if that is within two years of the application, otherwise from the end of the two years. An invention is really protected from infringement from the time the patent is "applied for." The result is that delay in issuing the patent prolongs its term by so much beyond the legal limit of 17 years, and advantage has often been taken of this to extend the term to 25 or 30 years. If the patent is not granted in the end, the applicant has had all the advantage of one during the delay. If there is interference, the protection from infringement is in doubt until that is settled, and it is only fair to have the patent date from that time, if it is within a reasonable limit.

The second section of the bill is equally brief and explicit. It provides that patents shall be annulled unless within three years of the date of their issue the patented articles shall be "put upon the market in sufficient quantity, whether by sale, lease, or license, to satisfy the reasonable demand of the public and at reasonable prices." The word-

ing of this is somewhat dubious, but the purpose is important, and properly applied it would put an end to one of the serious abuses of "patent rights" under the present law.

It is a common practice to obtain patents upon new inventions, by application or by purchase from the first patentee, for the very purpose of keeping them out of use, because they would come in competition with patented devices already in use. In this way important improvements are held back and kept out of use for the public benefit in order that old devices may be profitably continued. The holder of the patents does not use them, but prevents anybody else from getting possession. This is in direct conflict with the constitutional purpose of the patent law.

The New York Press, March 18, 1912:

PATENT LEGISLATION.

Our attention has been called to the several bills introduced by Representative JOHN ALDEN THAYER, of Massachusetts, amending the patent laws. They were all offered at various times long before the decree of the Supreme Court was given in the mimeograph patent case, and were apparently in unwitting anticipation of just such decision.

Counsel interested in these bills inform us that H. R. 11381 of this series "provides, in brief, that no owner of, or anyone having any interest in, any letters patent covering any tool, implement, appliance, or machinery shall so sell, lease, or license the article so as to restrain or attempt to restrain or prevent the vendee, lessee, or licensee from using any tool, implement, appliance, machinery, material, or merchandise not furnished by the vendor, lessee, or licensor."

Representative THAYER's other bills appear also to be well intentioned, but they all need to be carefully considered with regard not only to their intent, but to their effect. And while Congress is at it the time seems to be ripe for a thorough overhauling of all the patent laws. It is generally believed that neither the true inventor nor the public profits very much by the patent law as it exists.

The chief opponent of this legislation has been the United Shoe Machinery Co., and in addition to presenting its case by the most eminent counsel it has caused every Congressman to be besieged by letters prepared by the company from retail dealers who do not understand the purport of the acts and who have failed to reply to requests for information as to whether they have ever read the bills. Another feature in their methods is shown in their attempts in regard to the press.

In the discussion on the Post Office appropriation bill I took occasion in offering an amendment to animadvert on this as follows:

"Mr. Chairman, this amendment which I have offered may meet the suggestion of the gentleman from Illinois [Mr. MANN] in regard to innocent persons mailing newspapers contrary to this bill; but that is not the chief purpose for which I offer it. That great jurist, long an ornament of the Supreme Court of the United States, Joseph Story, never uttered a wiser or more statesmanlike sentence than when he wrote this motto for the Salem Register:

"Here shall the press the people's rights maintain
Unaw'd by influence and unbrib'd by gain.

"If that were the condition of the press to-day, the amendment of the gentleman from Indiana [Mr. BARNHART] would not be necessary, but we are 'fallen on evil days,' and we are obliged to resort to severe measures to restrain what was once the bulwark of our liberties from becoming the artillery park of 'antirepublican tendencies.' The amendment is a step, and but a step, in the right direction. I can foresee many methods by which this salutary amendment will be evaded, and, while I do not now offer any legislation on this subject, I desire to state from my own experience, and what is doubtless the experience of many gentlemen on the floor of this House, an example which will plainly show the need of restrictions like those presented by the gentleman from Indiana [Mr. BARNHART], if not much more drastic ones.

"If we wish to see where the editorial sentiments of the papers come from, we do not need to look so much at the names of the owners, stockholders, and directors as we need to look at the advertising pages of those newspapers. There is where the milk in the cocoanut is to be found. It is through that source that we can tell how the editors will write.

"It was my fortune in attempting to restrain the monopolistic tendencies of modern commercialism to present two bills similar in form and in purpose, but relating to two different aspects of the ways in which the business in articles could be controlled. Those bills, as properly amended, are as follows:

"[H. R. 11380, Sixty-second Congress, first session.]

"A bill to prevent restrictions or discriminations in the sale, lease, or license of tools, implements, appliances, or machinery covered by interstate commerce.

"Be it enacted, etc., That no person, firm, corporation, or association engaged in interstate commerce having any interest, whether as owner, proprietor, beneficiary, licensee, or otherwise, in any tool, implement, appliance, or machinery shall, directly or indirectly, in making any sale or lease of or any license entered into in the course of trade or commerce between the several States or with foreign nations or in any Territory of the United States, or the District of Columbia, or between any Territory of the United States and the District of Columbia, or any Territory of the United States or any State or any foreign nation, or between the District of Columbia and any Territory of the United States, or any State or States or foreign nation, to any such article, restrain or attempt to restrain or prevent the vendee, lessee, or licensee

from using any tool, implement, appliance, machinery, material, or merchandise not furnished by or with the approval of the vendor, lessor, or licensor, whether by making any condition or provision, express or implied, against such use by a term of any sale, lease, or license to use, or by requiring any obligation, express or implied, against such use from the vendee, lessee, or licensee of the article, or by imposing any restrictions upon the use of the article sold, leased, or licensed, or by making in the price, rental, royalty, or other terms of any such sale, lease, or license any discrimination based upon whether the vendee, lessee, or licensee uses or purchases any such tool, implement, appliance, machinery, material, or merchandise or not, or by any other means whatsoever: *Provided, however,* That nothing in this act shall be construed to prevent any such vendor, lessor, or licensor from requiring that during the continuance of any letters patent on any such article no patented component or constituent parts of the tool, implement, appliance, or machine required for use thereon be purchased except from such vendor, lessor, or licensor: *And provided further,* That nothing in this act shall be construed to prohibit the appointment of agents or sole agents to sell or lease machinery, tools, implements, or appliances.

"SEC. 2. That any such person, firm, corporation, or association who shall violate the provisions of this act, and any other person, whether or not an agent of such owner, proprietor, or beneficiary, who shall willfully or knowingly assist in or become a party to any such violation shall be punished for each offense by a fine not exceeding \$5,000 or by imprisonment not exceeding one year, or by both such fine and imprisonment.

"SEC. 3. A proceeding in equity to prevent and restrain violations of this act may be brought by any person injured in his business or property by any other person or corporation by reason of anything forbidden or declared to be unlawful by this act in any district court of the United States in the district in which the defendant resides or is found or in which the act complained of was committed; and in addition thereto or separately therefrom may sue, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the costs of suit, including a reasonable attorney's fee.

"SEC. 4. The several district courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this act; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition setting forth the case and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition, the court shall proceed, as soon as may be, to the hearing and determination of the case; and pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

"SEC. 5. Whenever it shall appear to the court before which any proceeding under section 4 of this act may be pending that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not, and subpoenas to that end may be served in any district by the marshal thereof.

"SEC. 6. Any property owned under any contract or by any combination or pursuant to any conspiracy (and being the subject thereof) mentioned in section 1 of this act and being in the course of transportation from one State to another or to a foreign country shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law.

"SEC. 7. That the word 'person' or 'persons' wherever used in this act shall be deemed to include corporations and associations existing under or authorized by the laws of either the United States or the law of any of the Territories, the laws of any State, or the laws of any foreign country."

"[H. R. 11381, Sixty-second Congress, first session.]

"A bill to prevent restrictions or discriminations in the sale, lease, or license of tools, implements, appliances, or machinery, or the use of any method or process covered by the United States patent laws.

"Be it enacted, etc., That no person, firm, corporation, or association having any interest, whether as owner, proprietor, beneficiary, licensee, or otherwise, in any letters patent of the United States covering any tool, implement, appliance, or machinery, method, or process shall, directly or indirectly, in making any sale or lease of or any license to any right under such patent or to any article which embodies or includes the invention covered by such letters patent, restrain or attempt to restrain or prevent the vendee, lessee, or licensee from using any tool, implement, appliance, machinery, material, or merchandise not furnished by or with the approval of the vendor, lessor, or licensor which does not infringe such letters patent, whether by making any condition or provision, express or implied, against such use by a term of any sale, lease, or license to use, or by requiring any obligation, express or implied, against such use by the vendee, lessee, or licensee of the article, or by imposing any restrictions upon the use of the article sold, leased, or licensed, or by making in price, rental, royalty, or other terms of any such sale, lease, or license any discrimination based upon whether the vendee, lessee, or licensee uses or purchases any such other tool, implement, appliance, machinery, material, or merchandise or not, or uses any such other method or process, or by any other means whatsoever: *Provided, however,* That nothing in this act shall be construed to prevent any such vendor, lessor, or licensor from requiring that during the continuance of such letters patent no patented component or constituent parts of the tool, implement, appliance, or machine required for use thereon be purchased except from such vendor, lessor, or licensor: *And provided further,* That nothing in this act shall be construed to prohibit the appointment of agents or sole agents to sell or lease machinery, tools, implements, or appliances.

"SEC. 2. That any such person, firm, corporation, or association having interest in any such letters patent who shall violate the provisions of this act, and any other person, whether or not an agent of such owner, proprietor, or beneficiary, who shall willfully assist in or become a party to any such violation shall be punished for each offense by a fine not exceeding \$5,000 or by imprisonment not exceeding one year, or by both such fine and imprisonment.

"SEC. 3. That if any person, firm, corporation, or association is convicted a second time of any offense under this act in connection with such letters patent, such letters patent shall thereupon become null and void.

"Sec. 4. Proof of violation of this act shall be a good defense to any action for infringement of any patent in connection with which said violation occurs."

"Sec. 5. Any person injured by violation of this act may bring an action for recovery of damages against any party so violating in any district court of the United States or in the district wherein the act complained of was committed or wherein the defendant resides or is found."

"In connection with them and with the Lenroot bill, H. R. 15026, a long amendment to the Sherman Antitrust Act, lengthy hearings were held before the Judiciary Committee. At the time these measures were introduced in the House of Representatives the press of Boston especially took considerable notice of them, as the practices at which they were aimed were largely those of the United Shoe Machinery Co., of Boston. From time to time some mention was made of them in the papers, necessitated by the fact that the United States Government had, after these measures were introduced, brought indictments against some of the directors of the company and also a bill in equity for the dissolution of the company."

"But when the hearings on the bill were begun, after brief notices of the opening days, some of the papers ceased all mention of the proceedings, and others mentioned only the evidence which appeared favorable to the United Shoe Machinery Co., but not the evidence advanced in favor of the measures, and not one of the Boston papers gave the final arguments in their favor. About the time the hearings were concluded Judge Gray had made a suggestion on the framing of the final decree dissolving the Powder Trust—

"that the Sherman Act does not make a specific regulation; it is much to be desired that Congress in its future legislation would so regulate commerce between States that, however drastic that regulation may be, the business of the country will be compelled to accommodate itself to it."

"Judge Putnam, in the indictment of the United States versus Directors of the United Shoe Machinery Co., had said substantially the same. These decisions were followed by the dissenting opinion of a strong minority of the court—Justices White, Hughes, and Lamar—in the celebrated *Henry* case, where the division was four to three. Justice White said:

"Because of the hope that if my forebodings as to the evil consequences to result from the application of the construction now given to the patent statute be well founded, the statement that the application of my reasons may serve a twofold purpose: First, to suggest that the application in future cases of the construction now given be confined within the narrowest limits, and, second, to serve to make it clear that if evils arise their continuance will not be caused by the interpretation now given to the statute, but will result from the inaction of the legislative department in failing to amend the statute so as to avoid such evils."

"On account of this decision it was seen that a change in the law was imperative, and the Boston newspapers, as well as the press of the country in general, took notice of these hearings which had been already held. The Boston Transcript, besides speaking specifically of these measures, devoted considerable space to the patent laws. But the question naturally arises, Why had not the press of Boston paid more attention to these measures, which were honestly intended to restrain monopolistic control and in which New England was peculiarly interested on account of the presence within her borders of one of the offenders of the law, and also because remedial legislation was advocated by one of her Congressmen? Their attitude may be explained in part by the following statement and editorial from the Boston American, which has always been the determined foe of monopoly, whether business or political, and also because—alas, too often we are compelled to look to the advertising columns of the newspaper to discover how the editorial and news columns will treat any subject related to its principal source of revenue:

"[Boston American, Friday, Feb. 2, 1912.]

"SHOE MACHINERY TRUST GOES INTO THE NEWSPAPER BUSINESS—HAS THE BOSTON 'TRAVELER,' GETS THE LYNN 'NEWS,' AND ADDS THEM TO THE 'TIMES' OF GLOUCESTER AND 'NEWS' OF NEWBURYPORT—EDITORIAL AGENTS LOOKING FOR OPPORTUNITIES IN SALEM AND HAVERHILL—BOUND TO HAVE NEWSPAPERS EVERYWHERE THAT WILL BE 'FAIR-MINDED'—TRAVELER EDITOR, WHO WANTED TO PRINT A STORY THAT SHOE-MACHINERY WINSLOW DIDN'T WANT PRINTED, ISN'T THE TRAVELER EDITOR ANY MORE—SMITH AND HIGGINS, THE MEN ON THE TRAVELER JOB FOR SIDNEY W. WINSLOW, AND SMITH AND HIGGINS ARE ALSO THE MEN ON THE JOB IN LYNN, GLOUCESTER, AND NEWBURYPORT—PERHAPS THEY'LL PLANT A 'FAIR' PAPER IN SALEM AND HAVERHILL, TOO."

"Confirmation of the report that the Boston Traveler had passed under the control of the president of the United Shoe Machinery Co. was followed to-day by the discovery that the head of the Shoe Machinery Trust is also a big figure in at least three other Massachusetts newspapers and that his representatives in the newspaper field have their eyes on two cities more."

"The president of the Shoe Machinery Trust is Sidney Winslow. Mr. Winslow's shoe-machinery offices are located in Lincoln Street. His homes are at Beverly, at Brewster—the Cape Cod town where he was born less than 60 years ago—and at No. 10 Commonwealth Avenue."

"President Winslow's bright young men in the newspaper business are Fred E. Smith, of Newburyport, once the Republican postmaster of the city at the mouth of the Merrimack, and James H. Higgins, also of Newburyport."

"THE TRUST NEWSPAPERS."

"The list of newspapers now controlled by Sidney W. Winslow, through Smith and Higgins, is as follows:

"In Boston, the Boston Traveler; in Lynn, the Lynn Evening News; in Gloucester, the Gloucester Times; in Newburyport, the Newburyport News."

"Why the shoe-machinery people should be interested in newspaper publications to the extent of securing editorial or financial control is a matter for conjecture, but it was pointed out to-day that in every case save one the shoe-machinery newspapers on the above list are published in what might be called shoe towns."

"The Boston Evening Traveler, now completely under Winslow's control, is printed in the great wholesale center of the shoe business in North America."

"Making shoes is the principal business of Newburyport, where Smith and Higgins get out the Evening News for Mr. Winslow. Lynn, where they print the News, is the 'Shoe City' of the United States."

"The attitude of the local press toward the shoe manufacturers in the shoe cities—and it is known that Mr. Winslow's young men have for some time been feeling out the probable chances for a paper in Salem and Haverhill—is an extremely important factor in the business of these manufacturers."

"Shoe manufacturers occasionally have difficulties with 'labor.' The local paper is able to take the middle of the road in these controversies or it may side with one disputant or the other."

"Shoe manufacturers may also have trouble with the assessors. In these disputes, also, it is not unpleasant to find the local newspaper your friend."

"Suggestions of this sort have been made to American reporters who, for several days, have been investigating the great interest shown by the big fellows of the Shoe Machinery Trust in the newspaper business."

"These suggestions appear to have been based upon suspicion most unjust, for, on the authority of a man who claims to know the situation in Lynn, the American was to-day furnished with information going to show that, in that city, at least, Mr. Winslow has merely taken steps to see that a paper which formerly was unfair shall hereafter be fair-minded."

"A COOLIDGE IDEA."

"In addition to its four Massachusetts dailies—with at least two more to come—the Shoe Machinery Trust has for two or three years maintained one of the best press bureaus in the country."

"This press bureau is supposed to have the benefit of the wisdom and experience of Mr. Louis A. Coolidge. Mr. Coolidge is treasurer of the United Shoe Machinery Co. He used to be famous as one of the best newspaper correspondents at Washington, D. C."

"Coolidge in 1904 was president of the Gridiron Club at Washington. He had then been a Washington correspondent for more than a dozen years. He was a great friend of President Roosevelt. He was a member of the Roosevelt 'tennis cabinet,' and in the presidential campaign of 1904 the Roosevelt folks put Coolidge in as director of the Republican literary bureau."

"In 1908 he was appointed Assistant Secretary of the Treasury. He might have gone higher—as high as Hitchcock—if Winslow hadn't come along with the proffer of a place paying considerable more money than Uncle Sam allows even the best of his servants. Coolidge became treasurer of the Shoe in 1909."

"NO POLITICS IN MOVE."

"In addition to its advertising in all sorts and conditions of daily papers, weekly papers, trade journals, souvenir publications, and monthly magazines, the press department of the United Shoe Machinery Co. has at times sent broadcast a lot of advertising to be run as 'pure reading matter.'"

"When Smith and Higgins, of Newburyport, under the kind patronage of Sidney W. Winslow, of the United Shoe Machinery Co., began the establishment of a syndicate of newspapers in northwestern Massachusetts, there was commonly supposed to be 'politics' behind it."

"The first guess was that John Hays Hammond wanted something. Mr. Hammond denied the soft impeachment. Gradually Mr. Winslow was uncovered, the Lord Bountiful of a free press."

"If Mr. Winslow wanted anything in politics, it has not been apparent since the time when, in 1908, he set out to be an anti-Taft delegate to the Republican national convention from Beverly. His ambitions were rudely punctured at that time by Capt. Augustus Peabody Gardner, of Hamilton."

"WHAT IS REAL PURPOSE?"

"There was, however, last July, a movement to put Treasurer Coolidge up as the Republican candidate for lieutenant governor. Not very much came of that movement at that time."

"With these guesses removed from consideration, there is left the proposition that the shoe-machinery crowd desires to place newspapers in shoe-manufacturing towns for purposes which may appear later."

"It is the belief of everybody on the inside at Washington, according to advices which came a day or two ago to the Boston American, that the shoe-machinery company is in a way of extricating itself from a very unpleasant position before the enforcers of the Sherman Antitrust Act."

"It is, of course, well known that the shoe-machinery company is among the many which have been indicted under the Taft administration. There are cynics in Massachusetts who have thought that able gentlemen would make smooth the way of the 'United Shoe' at Washington, quite as other gentlemen made smooth the way of the New York, New Haven & Hartford Railroad in Mr. Roosevelt's time."

"TRUST HEADS AT WASHINGTON."

"Not only Treasurer Louis A. Coolidge, formerly of the Roosevelt tennis cabinet, but Mr. Charles F. Choate, jr., one of the ablest, if not the ablest, extricator in New England, have been in Washington for many days in the interests of President Winslow's \$50,000,000 corporation."

"There was a report last week—since denied by the defendant company—that the Shoe Machinery Trust was about to throw up its hands and surrender. According to a Washington story which has come to the Boston American the Shoe Machinery Trust is getting ready to be let off easily. It is going to reorganize or readjust or re-something."

"First of all the United Shoe has got to drop that 'exclusive' feature out of its contracts with manufacturers. Apparently the shoe manufacturer is to be at liberty to buy and lease where he will."

"And so, it is thought, the shoe-machinery people have decided that it will be helpful under the new agreement to have a daily newspaper in each of the shoe centers. Hence they have to-day the Boston

Traveler, the Lynn News, the Gloucester Times, and the Newburyport News.

"And they have been looking for footholds, as will be explained, in Salem and Haverhill. Shoe-machinery papers in these cities are to come later.

"FIRST WINSLOW PAPER.

"The first of the Winslow newspaper ventures was the News, of Newburyport. Jim Higgins, who took charge of this venture, was one of the Winslow protégés. Mr. Winslow is celebrated for his good judgment in picking able young lieutenants.

"Fred Smith, who had been the Newburyport postmaster and who was close to the Republican State machine at that time, was associated with Higgins in the News venture. The relations that existed between these young men and President Winslow were well known in that corner of Essex.

"Smith and Higgins did so well with the News, of Newburyport, that they next essayed Gloucester. Here they got control of the Times.

"Next on the list of Smith-Higgins-Winslow papers came the Boston Traveler.

"Mr. Winslow inserted his bright young men into the Boston Traveler quietly.

"THE TRUST AND THE TRAVELER.

"Nearly two months ago—on December 13, to be exact—there appeared in the Boston Post an item which said that a number of changes had taken place of late in the Boston Traveler. The Post item said that Mr. E. H. Baker, of Cleveland, Ohio, had retired as general manager and publisher of the Traveler.

"Up to that time—and for some time—Mr. E. H. Baker, of Cleveland, had been the dominating factor in the Traveler. When the 'Cleveland' interests took over the Traveler, Mr. Baker appeared as the Traveler's principal executive. The man 'on the job' for Mr. Baker was Mr. Baker's son, Frank S., who has made his home in Quincy.

"More than a year ago—or early last year—it became known in financial circles in Boston, and to those on the inside of Boston newspaperdom, that one of the 'largest factors' in the Traveler was Sidney W. Winslow, of the United Shoe Machinery Co.

"RUMOR OF TROUBLE IN CAMP.

"To-day it is said that not only was this true at that time, but that other officials of the Shoe Machinery Co. are interested in the Boston Traveler in an alliance with Albert F. Holden, of Cleveland, Ohio, one of the principal officers of the United States Smelting, Refining & Mining Co. President Winslow is one of the directors of that company.

"Along in the middle of last summer there were continuous rumors of trouble in the Traveler camp.

"For one thing it was said that Mr. Marlin E. Pugh, then the managing editor of the Traveler, had been printing in the Traveler altogether too many things tending to annoy and displease President Sidney W. Winslow and the gentlemen quietly associated with Mr. Winslow at that time in the Traveler enterprise.

"It also became known at about that time that Mr. Winslow, now supposed to be merely the 'angel' back of the Traveler, had lost his admiration for Mr. E. H. Baker, of Cleveland, Ohio.

"THE POST CORRECTION.

"And, some time after midsummer, it became known that while Mr. E. H. Baker continued to be known as an official of the Traveler, Mr. E. H. Baker was no longer the gentleman who was giving orders in the Boston Traveler's office. Then came the announcement that Messrs. Smith and Higgins had come in.

"The item which the Boston Post printed on December 13, however, was corrected by the Boston Post on the following day.

"On December 14 last the Boston Post reported that Mr. Frank S. Baker (the son of E. H.) was and would continue to be the publisher of the Traveler. The Post said further, in this correction, that Mr. Frank S. Baker's father had never been active in the management of the Traveler, but would continue to act, as before, as president of the Evening Traveler Co.

"TRUST TAKES OVER LYNN NEWS.

"And then the Boston Post went on to say that Mr. Frank S. Baker had 'recently called into association with him Mr. James H. Higgins and Mr. Fred E. Smith, publishers of the Newburyport News and the Gloucester Times, who will act in an advisory capacity.'

"The picture thus presented, of the Bakers, of Cleveland, Ohio, and Boston, Mass., digging up editorial 'advisers' in Newburyport and Gloucester, caused some quiet merriment at the time. All this was well enough, however, until, lo and behold, along came the Boston Herald last week with an item telling how the Lynn Evening News had been bought by Mr. Winslow's Smith and Higgins.

"Representatives of the bondholders of the Lynn Evening News, the Boston Herald said last week, had sold the News to Smith and Higgins 'free of the mortgage.' The Herald identified Smith and Higgins as the gentlemen 'who have recently secured a large interest in the Boston Traveler.'

"The Boston Traveler, it may be said in passing, did not print this item, nor has the Boston Herald 'corrected' it.

"Public sentiment, it has been pointed out by several with whom reporters of the American have discussed the shoe machinery newspaper syndicate in the past few days, has come to be regarded as a dangerous factor in the affairs of big business.

"The larger corporations and the trusts, therefore, it has been pointed out, are on the qui vive with reference to the 'development' of this public sentiment.

"Having the Boston Traveler, the Newburyport News, and the Gloucester Times, Mr. Winslow and his friends next stepped into Lynn. There they took the plant of the Lynn Evening News.

"The Lynn News was practically down and out. It had some \$50,000 in outstanding bonds. The paper was largely controlled by the Lynn Gas Co. and the General Electric Co. When the paper blew up, indeed, there appeared in the list of its bondholders the name of President C. A. Coffin, of the General Electric Co.

"Also there appeared there the names of former Gov. Eben S. Draper and former Lieut. Gov. Louis A. Frothingham.

"Interesting stories are told in Lynn about the blowing up of the Evening News.

"The gentleman who had dominated the paper for some time is said to have been a Mr. Bolton, of New Haven, Conn.

"Mr. Bolton had an editor in charge of the Lynn Evening News who appears to have been of the same kidney as Merlin Pugh, the Boston Traveler editor, whose sayings and doings so annoyed the philanthropic Mr. Winslow.

"Regardless of the fact that the Evening News bonds were in hands at least friendly to the Lynn Gas Co., this Evening News editor dis-

played a most unpleasant penchant for going after the said gas company and lambasting it fore and aft.

"Whereupon, according to the gossip of Lynn, the gas people hied themselves to Publisher Bolton, saying, 'What meanest thou?' and 'Desist,' and like manner of exclamation.

"And the good Mr. Bolton, say the gossips of Lynn, threw up his hands as one who is guiltless and said, 'I can not help it; it's me editor.'

"The which, as was soon to develop, did not go.

"There came a day when it was time to pay interest on the bonds, and the cupboard was bare. The unpleasant editor had gone away some time previously, but the men of money were relentless, and there was nothing doing for the Lynn News.

"At about this time the thought appears to have struck Mr. Winslow that the Lynn Evening News should be succeeded by a journal which would treat the business interests of Lynn fairly, and so it came to pass that Smith and Higgins added the Lynn Evening News to a string of papers which already included the Newburyport News, the Gloucester Times, and the Boston Traveler.

"In addition to his controlling interest in the affairs of the Boston Traveler, President Winslow, of the Shoe Machinery Trust, has at least a friendly interest in the affairs of one other Boston newspaper.

"President Winslow has been seen at the Hotel Touraine of late in the company of the editor of this other Boston newspaper. Vice President George W. Brown, of the Shoe, has apartments at the Touraine.

"In Salem the United Shoe Machinery's newspaper set are reported to have made advances to Col. Robin Damon, who has printed the Salem Evening News for a great many years and is generally credited with having found a gold mine in it. Up to this time the Shoe Machinery newspaper set have merely made advances to Col. Damon.

"The Haverhill situation is said to be that the Shoe Machinery folks are waiting for the psychological moment.

"All of which interesting newspaper information is offered to the newspaper readers, the advertisers, and the newspaper people of Massachusetts for the good that it may do.

"President Winslow, of the United Shoe Machine Co., wants the press of Massachusetts to be 'fair.' Of course President Winslow stands by the constitution of Massachusetts, which declares that 'the liberty of the press is essential to the security of freedom in a State; it ought not, therefore, to be restrained in this Commonwealth.'

"[Editorial in Boston American, Feb. 3, 1912.]

"MONOPOLISTIC GAGGING OF THE PRESS MEANS THE POISONING OF THE WELLS OF AMERICAN PUBLIC OPINION.

"The hundreds of thousands who read this newspaper day by day and who are each day steadily adding to their numbers will have read with amazement the exposure of press gagging which the American made on the first page of yesterday's editions.

"It is an exposure which should blanch the cheek of every thoughtful citizen who reads it. Every paragraph, every line of the shameful story has full material to make men pause.

"This story of the Shoe Trust and its controlled chain of newspapers is the opening of a chapter whose ending no man can foresee.

"It is the unveiling, rather the unmasking, of a powerful conspiracy to muzzle the American press, to poison the wellsprings of American public opinion.

"From the dawn of this Republic onward to this very hour the free, untrammelled, independent, patriotic press of America has been the stoutest bulwark of the people's rights and of the Nation's liberties.

"Greater than fleets and armies, greater than all the genius of statesmanship, the press of America, free, independent, patriotic, has stood firm and strong and true against all injustice and against every encroachment upon the domain of the people's rights.

"Every stone that was laid in the fabric of American institutions during the struggling days which followed '76 was bonded in the cement of a free and solid, patriotic, and independent American press, racy of the soil and loyal in all its utterances.

"Is this bond in danger of dissolution? Is this long-cemented union to be melted 'like snow before the sun,' in the corroding acid of corporate corruptive influence?

"Here is a question for the American people to face; no other people will face it for them.

"It is an issue as deep and as pregnant as any that has reared itself since Washington and his confrères gave this Nation birth.

"It is a problem as serious as any that has come before the people since the martyred Lincoln spoke his inspiring prayer upon the field of Gettysburg.

"Gagging the press of America, bringing it under the control of monopolistic corporations, seven-eighths of whom are said to be persistent violators and defiers of the Nation's laws, is a crime fully in the class with the poisoning of the wells when hostile armies are on the march.

"An independent, patriotic journalism is the very lifeblood of this Republic.

"It is for the people to see that it endures."

"My own home paper, the Worcester Evening Post, was, as far as I know, the only paper in New England that published full and adequate reports of both sides of the subject, as it always does, thus fulfilling the functions of a real newspaper.

"The United Shoe Machinery Co. is a large advertiser—for what purposes its officers can best tell, for it has a virtual monopoly of the shoe-machinery business—in the metropolitan press, and therefore it can be, perhaps, inferred without any large stretch of the imagination that such a good customer's wishes must be respected. Now, during the pendency of these measures it has published in the New York Sun, a full-page advertisement describing its works in Beverly and its general beneficence (?). An experience of a colleague of mine, the Hon. EDWARD W. TOWNSEND, of New Jersey, is somewhat similar. March 29 of this year he made a unique speech on the tariff, showing that the mortality among infants in the textile manufacturing towns was larger than elsewhere. Shortly afterwards a supplement of many pages appeared in the New York Sun describing the various textile industries of the United States.

"I think that in order to have more perfect operation of the Barnhart amendment the sums paid by the largest advertisers

should be quarterly or annually announced. Then perhaps the overt influences in the news and editorial columns might be revealed.

"That one of the greatest agencies through which the English-speaking people obtained and maintain their freedom should now bid fair to become an instrument, if not to destroy it, at least to hinder its accomplishments, is a sad commentary on the plutocratic development of the last two decades. Was it for this that Wilkes suffered imprisonment and fought for years against the Crown; that Fox and Burke thundered their philippics in favor of an untrammelled press; that our own Hamilton fought and won; and that Greeley, Raymond, Webb, and Bennett built great newspapers? We who believe we are right fear no publicity. We are willing that the people should decide the justice of our cause, but we demand and will obtain an impartial hearing. But, perchance, 'because their deeds are evil our opponents love darkness' and do not court publicity. Fortunately, there is one paper in the United States which does not contain any advertisements, avowedly, at least, and here, if nowhere else, a fair and impartial treatment can be given of subjects relating to the interests of the people with the confident trust that they will prevail.

"Because right is right, to follow right
Were wisdom in the scorn of consequence."

The United Shoe Machinery Co. has claimed that it is a beneficent trust, but while considerable could be said in contradiction thereof, it is entirely immaterial whether this is a beneficent trust, as some former President of this country of ours might call it, or whether it is a bad trust, exacting the last pound of flesh from all of its lessees, by the admission of its own counsel it is a monopoly, and it is a monopoly such as this that the Sherman bill is aimed at and which the decisions of the United States courts say are illegal, whether they are beneficent or not. I refer to *The United States v. Missouri Freight Association* (186 U. S., 240).

The following language of the late Mr. Justice Peckham, who delivered the majority opinion of the court in *United States v. Trans-Missouri Freight Association* (166 U. S., 290), well may be applied to the situation presented here. In that case, after stating that the changes resulting from the natural development and improvement in the methods of carrying on different lines of business necessarily leaves behind them for a time men who must seek other avenues of livelihood, the learned justice said (pp. 323, 324):

It is wholly different, however, when such changes are effected by combinations of capital, whose purpose in combining is to control the production and manufacture of any particular article in the market, and by such control dictate the price at which the article shall be sold, the effect being to drive out of business all of the small dealers in the commodity and render the public subject to the decision of the combination as to what price shall be paid for the article. In this light it is not material that the price of an article may be lowered. It is in the power of the combination to raise it, and the result in any event is unfortunate for the country by depriving it of the services of a large number of small but independent dealers who are familiar with the business and who have spent their lives in it and who supported themselves and their families from the small profits realized therein. Whether they be able to find other avenues to earn their livelihood is not so material, because it is not for the real prosperity of any country that such changes should occur which result in transferring an independent business man, the head of his establishment, small though it might be, into a mere servant or agent of a corporation selling the commodities which he once manufactured or dealt in, having no voice in shaping the business policy of the company, and bound to obey orders issued by others. Nor is it for the substantial interests of the country that any one commodity should be within the sole power and subject to the sole will of one powerful combination of capital.

The counsel for the company prepared certain figures in regard to wages in this country. Now, talking in percentages is a mighty handy thing and also mighty confusing. I had prepared by the Census a brief statement of wages in Massachusetts in a number of shoe manufactories, the capital, and so forth. I will not inflict it upon you, but I wish to state that in Massachusetts the number of establishments has decreased from 893 in 1904 to 860 in 1909, a decrease of 3.7 per cent. That in the city of Brockton, the home of the most beneficent recipients of the United Shoe Machinery Co.—Messrs. Donovan, Keith, Douglas, and so forth—the number of establishments has decreased from 82 to 75, or 8.5 per cent, and in Lynn, where the greatest progress was made during this time, the number of establishments has decreased from 211 to 207, 1.9 per cent.

In regard to wages. There is a little book published by the Department of Commerce and Labor which shows the increase in wholesale prices at different periods. The increase in 1904 to 1909 was 18 per cent exactly on articles used by the laboring man to support himself, and I want you to see how much the wages have increased at this time in these factories. In all of them in Massachusetts it has increased \$38, or less than 10 per cent.

In the Paper Bag patent case, which Mr. Fish referred to in his argument (210 U. S., 405), particularly 429 and 430, the court says:

But, granting all this, it is certainly disputable that the nonuse was unreasonable or that the rights of the public were involved.

The right which a patentee receives does not need much further explanation. We have seen that it has been the judgment of Congress from the beginning that the sciences and the useful arts could be best advanced by giving an exclusive right to an inventor. The only qualification ever made was against aliens, in the act of 1832. That act extended the privilege of the patent law to aliens, but required them "to introduce into public use in the United States the invention or improvement within one year from the issuing thereof," and indulged no intermission of the public use for any period longer than six months. A violation of the law rendered the patent void. The act was repealed in 1836. It is manifest, as is said in *Walker on Patents*, paragraph 106, that Congress has not "overlooked the subject of non-user of patented inventions." And another fact may be mentioned. In some foreign countries the right granted to an inventor is affected by nonuse. This policy, we must assume, Congress has not been ignorant of, nor of its effects. It has, nevertheless, selected another policy; it has continued that policy through many years. We may assume that the period has demonstrated its wisdom and beneficial effect upon the arts and sciences.

From that opinion it is plain that Congress has not exhausted its right in regard to restrictions upon patents. Mr. Justice Harlan was the only justice on the Supreme Court who dissented from the opinion of the justices, even in this restricted use of the patent, in the Paper Bag case.

In the *Blount Manufacturing Co. v. Yale & Towne Manufacturing Co.* (166 Fed. Rep., 555), particularly page 560, it says:

It is a fact, familiar in commercial history, that patent rights have a commercial value for purposes of extinction. That many patents are perfected in order to prevent competition of new inventions and of new machines with old machines already installed. The equitable status of an owner of a patent who has purchased and held it in nonuse for this purpose is still an open question, and was not determined by the Paper Bag patent case.

In *Bement v. The National Harrow Co.* (186 U. S., 70), particularly at pages 90 and 91:

If he sees fit he may reserve to himself the exclusive use of his invention or discovery. If he will neither use his device nor permit others to use it, he has but reserved his own. That the grant is upon reasonable expectation that he will either put his invention to practical use or permit others to avail themselves of it upon reasonable terms, is doubtless true. This exception is based alone upon the supposition that the patentee's interest will induce him to use, or let others use, his invention. The public has retained no other security to enforce such expectation. A suppression can be but for the life of the patent, and the disclosure he has made will enable all to enjoy the fruits of his genius. His title is exclusive and so clearly within the constitutional provisions in respect to private property, that he is neither bound to use his discovery himself nor permit others to use it. The dictum found in *Hoe v. Knapp* (17 Fed. Rep., 204) is not supported by reason or authority.

On page 91:

There are decisions also in regard to telephone companies operating under licenses from patentees, giving them the right to use the patents for the purpose of operating public telephone lines, but prohibiting companies from serving within certain districts any telephone company, and it has been held in the lower Federal courts that such a prohibition was of no force; that it was inconsistent with the grant, because a telephone company, being in the nature of a common carrier, was bound to render equal service to all who applied and tendered the compensation fixed by law for the service; that while the patentees were under no obligation to license the use of their inventions for any public telephone company, yet, having done so, they were not at liberty to put restraints upon such public corporation which would disable it to discharge all the duties imposed upon companies engaged in the discharge of duties subject to regulation by law. It could not be a public telephone company and could not exercise the franchise of a common carrier of messages with such exceptions to the grant. Authorities cited.

The difficulty of applying any such bills as this to intrastate commerce has been suggested, and in answer to that I want to refer to the decision of the United States court on the employers' liability act. That will show that the statutes of the United States can work effectively both in and without the State, to the extent that they have jurisdiction. The State courts will be obliged to take notice of the United States statutes.

The platforms of the two parties on the subjects of trusts in 1912 are as follows:

MONOPOLY AND PRIVILEGE.

The Republican Party is opposed to special privilege and to monopoly. It placed upon the statute books the interstate-commerce act of 1887, and the important amendments thereto, and the antitrust act of 1890, and it has consistently and successfully enforced the provisions of these laws. It will take no backward step to permit the re-establishment in any degree of conditions which were intolerable.

Experience makes it plain that the business of the country may be carried on without fear or without distrust, and, at the same time, without resort to practices which are abhorrent to the common sense of justice. The party favors the enactment of legislation supplementary to the existing antitrust act which will define as criminal offenses those specific acts which uniformly mark attempts to restrain and monopolize to the end that all who obey the law may have a guide for their action, and that those who aim to violate the law may be more surely be punished. The same certainty should be given to the law prohibiting combinations and monopolies that characterizes other provisions of commercial law, in order that no part of the field of business may be restricted by monopoly or combination, that business success honorably achieved may not be converted into crime, and that the right of every man to acquire commodities, and particularly the necessities of life, in open market uninfluenced by the manipulation of trust or combination may be preserved.

DEMOCRATIC PROMISE—ANTITRUST LAW.

A private monopoly is indefensible and intolerable. We therefore favor the vigorous enforcement of the criminal as well as the civil law against trusts and trust officials and demand the enactment of such additional legislation as may be necessary to make it impossible for a private monopoly to exist in the United States.

We favor the declaration by law of the conditions upon which corporations shall be permitted to engage in interstate trade, including among others the prevention of holding companies, of interlocking directorates, of stock watering, of discrimination in price, and the control by any one corporation of so large a proportion of any industry as to make it a menace to competitive conditions.

We condemn the action of the Republican administration in compromising with the Standard Oil Co. and the Tobacco Trust and its failure to invoke the criminal provisions of the antitrust law against the officers of those corporations after the court had declared that from the undisputed facts in the record they had violated the criminal provisions of the law.

We regret that the Sherman antitrust law has received a judicial construction depriving it of much of its efficiency, and we favor the enactment of legislation which will restore to the statute the strength of which it has been deprived by such interpretation.

They are but amplifications of previous utterances by either side. If they mean anything beyond the trite witticism that "platforms are good things to get in on," then we are justified in construing them as not mere empty phrases, but replete and vital with political wisdom. From all this it is apparent that the law should be so plain that "he may run who readeth" if he would escape the penalty of its violation. The need of legislation is plain and of a specific kind to prevent specific violations, which these bills clearly offer. We shall do less than our duty if we fail to heed this need. The greatest foe to the welfare of the American people we can, if we will, lay prostrate at the feet of the law. It is for us to decide, but we can not say that we have not seen the evil nor that a means to eradicate it has not been offered.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FOSTER. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BURLESON. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAGUIRE of Nebraska. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

Mr. MANN. Mr. Chairman, reserving the right to object, I would like to inquire whether all of these speeches are intended to be political speeches, because if they are I think they should be fairly divided between the two sides.

The CHAIRMAN. The Chair can not inform the gentleman.

Mr. MANN. But the gentleman who makes the request can.

Mr. BUCHANAN. Mr. Chairman, will the gentleman from Illinois yield?

Mr. MANN. Certainly.

Mr. BUCHANAN. I would like to ask the gentleman which he would prefer, to have the political speeches delivered here and listen to them or to have them printed?

Mr. MANN. Oh, I have no objection to political speeches being delivered, but what I object to is after all of the gentlemen on that side who wish to get authority to extend their remarks in the RECORD for political speeches have obtained it, then later, when somebody from this side makes the same request, to have some gentleman on the other side object to it, as has been done frequently in recent days.

Mr. BUCHANAN. Oh, I think this side has been quite liberal in that respect.

Mr. MANN. I will say that there have been a number of objections to requests on this side, and, I think, no objections on this side to requests of the gentlemen upon the other side.

Mr. HOWARD. Mr. Chairman, I would like to suggest to the gentleman from Illinois that I think all of these speeches will be attacks on the Bull Moose feature in politics.

Mr. MANN. That does not make any difference to me.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska to extend his remarks in the RECORD? [After a pause.] The Chair hears none and it is so ordered.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SAMUEL W. SMITH. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FULLER. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

RECLAMATION SERVICE.

The accounting officers of the Treasury are authorized and directed to credit the account of C. G. Duganne, special fiscal agent, United States Reclamation Service, Washington, D. C., with the sum of \$300.71, covering items suspended and to be disallowed by the accounting officers of the Treasury Department on the ground that the materials and supplies were not purchased under the general supply schedule, in accordance with the provisions of section 4 of the act of June 17, 1910, said items being shown in detail in House Document No. 832 of the present session, and with any further sum which may be suspended or disallowed by the accounting officers of the Treasury Department in the said fiscal agent's accounts for the quarters ending March 31, 1912, and June 30, 1912, covering purchases which were not made in accordance with the provisions of the above-mentioned act.

Mr. MANN. Mr. Chairman, I move to strike out the last word. With respect to this settlement of accounts for purchases not made in accordance with the purchase of supplies act, why should that cover purchases made during the last quarter of the last fiscal year? Did they not know at that time that the law was applicable; and why could they not conform to it?

Mr. FITZGERALD. The purchases under the law through the general supply committee were in a somewhat uncertain state. A decision of the comptroller was rendered—I forget just when—which reopened a number of accounts and which affected purchases made during a brief period thereafter. It was a condition that seemed to be unavoidable.

Mr. MANN. May I ask the gentleman if it is the intention of these divisions of the Government to comply hereafter with the general law?

Mr. FITZGERALD. Oh, yes. The situation was a very peculiar one. A number of these accounts were suspended in instances which under the circumstances the committee thought should be allowed.

The Clerk read as follows:

Opinions of Attorneys General: To enable the Attorney General to employ, at his discretion and irrespective of the provisions of section 1765 of the Revised Statutes, such competent person or persons as will, in his judgment, best perform the service, to edit and prepare for publication and superintend the printing of volume 28 of the Opinions of the Attorneys General, the printing of said volume to be done in accordance with the provisions of section 383 of the Revised Statutes, \$500.

Mr. SLAYDEN. Mr. Chairman, I would like to ask the gentleman from New York whether it is necessary to set aside a provision of law and grant an unusual discretion to the Attorney General? Is there any good reason for it? I suppose, of course, the committee thought so.

Mr. FITZGERALD. My recollection is that it is to permit additional compensation to some person in the department who is selected because peculiarly fitted for this work. He does it out of hours.

Mr. SLAYDEN. The idea is, I suppose, to get some man familiar with the work to do it.

Mr. FITZGERALD. I understand two men were selected in this case, each to be paid \$250.

Mr. SLAYDEN. Will that cost any more?

Mr. FITZGERALD. No; it will cost \$250 for each man.

Mr. SLAYDEN. Will this provision in the bill make it cost more than it otherwise would?

Mr. FITZGERALD. No; the Attorney General has authority under the revised statutes to have this work done, and this is the usual compensation.

The Clerk read as follows:

For pay of bailiffs and criers, not exceeding three bailiffs and one crier in each court, except in the southern district of New York and the northern district of Illinois: *Provided*, That all persons employed under section 715 of the Revised Statutes shall be deemed to be in actual attendance when they attend upon the order of the courts: *Provided further*, That no such persons shall be employed during vacation; of reasonable expenses actually incurred for travel and maintenance of circuit and district judges of the United States and the judges of the district courts of the United States in Alaska, Hawaii, and Porto Rico, consequent upon their attending court or transacting other official business at any place other than their official place of residence, not to exceed \$10 per day, said expenses to be paid by the marshal of the district in which said court is held or official business transacted upon the judge's written certificate of meals and lodgings for jurors in United States cases, and of bailiffs in attendance upon the same, when ordered by the court, and of compensation for jury commissioners, \$5 per day, not exceeding three days for any one term of court, \$9,000.

Mr. SLAYDEN. Will the gentleman permit another question?

Mr. FITZGERALD. Certainly.

Mr. SLAYDEN. I desire to call the gentleman's attention to this provision at the bottom of page 37 and running over to the top of page 38:

Provided further, That no such person shall be employed during vacation: of reasonable expenses actually incurred for travel and maintenance.

nance of circuit and district judges of the United States and the judges of the district courts of the United States and Alaska, Hawaii, and Porto Rico consequent upon their attending court or transacting other official business at any place other than their official place of residence not to exceed \$10 per day.

I would like to ask the gentleman if he does not think it would be a wiser policy to fix a definite sum? I do that because my attention has been called to it by a district judge of the United States court who is scrupulous always to put down the many minute charges properly assessed against that account, and he says that it is a constant source of annoyance. He told me it would be much more agreeable to him, and I believe much more agreeable to the judges of the court generally, if a specific sum were fixed, even though it was somewhat less than the actual expenses incurred. I know this is an academic discussion in this case, but it is a matter that might well be considered, it seems to me, for the future.

Mr. FITZGERALD. Mr. Chairman, the matter has been considered, the gentleman probably recollects, a number of times. This bill, of course, carries only the amount required to supply deficiencies in the appropriations to carry out the law.

Mr. SLAYDEN. I understand.

Mr. FITZGERALD. Personally, I believe it would be desirable to give the actual traveling expenses and a fixed sum for subsistence.

Mr. SLAYDEN. It might and probably would effect an economy for the Government, and would relieve these judges who are scrupulous in such matters from the annoyance of keeping a minute account.

Mr. FITZGERALD. This has been thrashed out during the last 8 or 10 years.

Mr. SLAYDEN. And nothing done.

Mr. FITZGERALD. And has occasioned more controversy than anything else.

Mr. SLAYDEN. And yet nothing has ever been done.

Mr. FITZGERALD. Yes; it was changed back and forth. The judicial code act, which was passed in the last Congress, fixed it in this shape. I suppose the Committee on Revision of the Laws, which codified the judicial code, must have gone extensively into the matter and fixed this as the most satisfactory under all the circumstances.

The Clerk read as follows:

For compensation of Members of the House of Representatives, Delegates from Territories, the Resident Commissioner from Porto Rico, and the Resident Commissioners from the Philippine Islands, \$3,708.90.

Mr. MANN. Mr. Chairman, I move to strike out the last word. What is the reason for a deficiency in the salaries of Members of Congress?

Mr. FITZGERALD. There is an additional Member from the State of New Mexico.

Mr. MANN. He only takes the place of a Delegate.

Mr. FITZGERALD. There was only one Delegate and now there are two Members from that State.

Mr. MANN. I withdraw the pro forma amendment.

The Clerk read as follows:

To pay the widow of George R. Malby, late a Representative from the State of New York, \$7,500.

Mr. MANN. Mr. Chairman, I move to strike out the last word. The items which we have just passed provide for the payment of a year's salary to the widows of deceased Members of Congress which I think is quite proper, but it seems to me that in addition to that Congress ought to make a reasonable provision for the payment of the secretaries of deceased Members. Under existing law and practice when a Member of Congress dies his allowance for clerk hire ceases upon his death, and it has been the custom of the Committee on Accounts to bring in a resolution providing for the payment to that particular clerk of a deceased Member of his salary up to the time of the death of the deceased Member. Of course everyone knows that the work of the clerk does not stop upon the death of the Member of Congress, the work of the district does not stop, and I have always thought and desired to put myself on record in favor of the proposition to pay the clerk of a deceased Member at least a month's salary, and I would not object to paying more than that, certainly something beyond the date of the death of the deceased Member.

Mr. FOWLER. Will the gentleman yield?

Mr. MANN. Yes.

Mr. FOWLER. What would the gentleman do in case the deceased Member had no clerk?

Mr. MANN. Well, you could not pay it directly to the clerk. I am talking about paying the money directly to the clerk of a deceased Member. Of course if he has no clerk there is nobody to pay the money to.

Mr. BUCHANAN. Will the gentleman yield?

Mr. MANN. Certainly.

Mr. BUCHANAN. I think a majority of the Members have clerks.

Mr. MANN. They all certify to it.

Mr. BUCHANAN. If they have not they ought to have, and it seems to me like it would be reasonable to pay the clerk his salary until the vacancy is filled.

Mr. MANN. Well, the clerk might not continue to work until the vacancy was filled. Here is a clerk who attends to the work of the district for its Member; the Member dies, the clerk does not cease to open the mail that comes in and does not cease to give attention to its work; but now he gets no allowance or pay beyond the date of the death of the Member, either for the services he performed or in part compensation to permit him to go home.

Mr. ROBERTS of Massachusetts. If the gentleman will yield, I would like to make another suggestion to the gentleman from Illinois. Many Members bring their clerks from their districts, and on the death of the Member the clerk is left in a very embarrassing position here, and he is stranded, you may say, far from home. His pay is stopped, and there ought to be, as the gentleman from Illinois says, some provision made for clerks to deceased Members.

Mr. MANN. Of course, as a matter of fact, if an employee of the House dies, we pay his widow, or children, or other heirs, six months' salary.

Mr. FITZGERALD. Mr. Chairman, there is very much force in what the gentleman says, but we have no jurisdiction of the matter. I know that in some instances great inconvenience and hardship have resulted. I think some arrangement by which compensation for two months' pay could be arranged by statute would be very desirable.

Mr. MANN. I think we ought to adopt the practice at the first opportunity.

Mr. SHARP. Mr. Chairman, I ask for information. Does this back salary of \$7,500 carry any interest?

Mr. MANN. This is not back salary. This is a gratuity to the widow.

Mr. SHARP. Whether it is or not, I am raising this point as to whether it is quite just—at least, the intention may be all right—where the widow has been deprived of the use of this money in some cases, as we see here in this bill, a year longer than others.

Mr. MANN. The widow has not been deprived of the use of it. The widow has had her money as far as her husband earned the salary. This is sort of a mutual insurance which Members get when they come into the House on account of the dangers of serving in this Chamber. [Laughter.]

Mr. SHARP. Some get it earlier than others.

Mr. CANNON. Mr. Chairman, touching the matter referred to by my colleague [Mr. MANN], of course a report from the Committee on Accounts to pay from the contingent fund would cover the ground. The pay of six months' salary to the widow of an employee of the House—money enough to bury him—is covered by resolutions from the Committee on Accounts payable to the contingent fund. I dare say if the Committee on Accounts had acted touching the clerks in cases referred to and passed the resolution auditing the amount and referred the same to the Committee on Appropriations, requesting it be placed in the deficiency bill, following the practice that I understand has obtained in that committee, the bill would have carried that amount for the consideration of the House. But in the absence of some law or some action either from the Committee on Accounts, or some action initiated in the House practically by unanimous consent, I apprehend that the Committee on Appropriations would not act in the premises.

Mr. MANN. If my colleague will yield, it was not in my thought at all to make any criticism of the Committee on Appropriations. I do not think that they would have jurisdiction in this matter. But I merely wished to get a little information, if I could, on the subject for the benefit of the Committee on Accounts.

I have talked with some of the Members of the Committee on Accounts recently and said to them that I thought there ought to be some payment for the clerks beyond the date of the death of a Member. How much it ought to be I would not undertake to say.

Mr. ROBERTS of Massachusetts. Mr. Chairman, the gentleman from New York, chairman of the Committee on Appropriations, expresses sympathy with the clerks of Members who have died while in office. I want to ask him if he would accept an amendment to this pending bill granting to clerks of Members who have died during the present Congress, say, six months' pay, to be in the nature of a deficiency?

Mr. FITZGERALD. No; that is impossible. The gentleman understands I have no right to do anything like that.

Mr. ROBERTS of Massachusetts. Why has not the gentleman the right?

Mr. FITZGERALD. Because I am under obligations to protect this bill against these requests of the House.

Mr. CANNON. I think the gentleman from New York [Mr. FITZGERALD] is correct in his position. Really, the Committee on Accounts ought to move in this matter.

Mr. FITZGERALD. Certainly. They have jurisdiction. There have been a number of requests made to me about different propositions to be offered to this bill. I know that if I should adopt any such policy this bill would carry an enormous sum. This bill is to supply deficiencies in appropriations for past fiscal years, and it has been customary to carry in the bill this gratuity to the widows of the Members of Congress.

Mr. ROBERTS of Massachusetts. Does not the gentleman think it is in the nature of a deficiency to pay to the clerks of Members, who have died prior to this time, a certain amount of money?

Mr. FITZGERALD. It may be in the nature of a deficiency, but it is not of such a character that it can be included in this bill. I could not consent to an amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

To pay the official reporters of debates \$735 each and the stenographers to committees \$952.50 each to reimburse them for money actually expended by them for clerical assistance and for janitor service to July 1, 1912, \$8,220.

Mr. MANN. Mr. Chairman, I move to strike out the last word. I notice that this item provides for paying to the committee stenographers, at least, money expended by them for janitor service. I do not know whether that provision applies to the official reporters or not.

Mr. FITZGERALD. It does not. The janitor and messenger service was provided for, if I recall correctly, for official reporters, and messenger service and janitor service is provided for in the legislative bill for the committee stenographers. This is to take care of the time when they were actually required to have such service and no provision had been made for it.

Mr. MANN. Mr. Chairman, in the Sixty-first Congress both of these sets of stenographers were provided with janitors. And when the Sixty-second Congress met, with great sound of trumpet and beating of drums, the majority on the Democratic side abolished these janitor places, because they were unnecessary, and extravagant, and uneconomical. They announced to the country how much they were going to save. A little while ago they provided for their future in the legislative bill. I see my distinguished friend from Pennsylvania [Mr. PALMER], who fathered the original resolution, listening to me, and I wonder that he does not get excited over going back now in the deficiency bill and paying a year's salary. The amount of the salaries of these janitors who were abolished by this item will not be included in the end in the statement of the monthly expenses of the Sixty-second Congress.

Of course, everybody knew, and everybody knows now, that these stenographers have to have janitors. Everybody except my distinguished friend from Pennsylvania and his Democratic conferees knew when the original resolution was passed that they would have to have janitors. I am glad that in course of time one after another of these places needed for the use of the House is being restored.

Mr. FITZGERALD. Mr. Chairman, at the beginning of this Congress the Democratic majority abolished, in round numbers, about \$100,000 of useless positions in the House. The gentleman then predicted that before the expiration of this session they would all be restored and taken as patronage by the Democratic Members. It is now shown that, except to the extent of a janitor or two for the Official Reporters and committee stenographers, no mistake was made in the elimination of these places. They have not been restored, and this side of the House is perfectly willing to admit that in this attempt to reform and eliminate useless and unnecessary places it did go too far—to the extent of one or two janitors only. Having found out the mistake, it frankly and promptly admits it, and is now making provision to reimburse the committee stenographers for the amount expended until the 1st of July. Provision for a janitor and a messenger for the stenographers and reporters was included in the legislative bill for the present year.

It may be that there are one or two other trifling places that I do not now recall which it has been found necessary to restore, but I think the experience of the House has been that it has not missed the horde of employees that blocked every avenue of ingress and egress to and from this Hall in the last 16 years. They have mercifully disappeared.

Mr. MANN. Mr. Chairman, the gentleman is mistaken when he says that I stated that all of these places would be restored

as patronage. What I said was that they would either be restored for the use of the House or the House would suffer for the lack of the positions.

As an illustration of the latter, yesterday the Senate sent a resolution to the House asking the House to return to it a certain bill in relation to Hawaii. That bill was a House bill. It had been considered by the House Committee on Territories and reported into the House. It was printed, and, through the handling of some of the employees of the House overburdened with work, it was incorrectly printed. There was a reprint ordered through, I suppose, the committee in order to have it printed correctly, but when it came up to be considered in the House the original print of the bill was read and passed by the House, and went to the Senate and was passed by the Senate, and, through accidental discovery, gentlemen who were interested in the bill learned that the bill that they had intended to have passed was not the bill that had been considered in the House. They did not discover this until they commenced to enroll the bill. The Senate had to reconsider its action and call the bill back. Except for the accidental discovery of the thing at the last moment it would have gone to the President to be signed—a bill that never was really reported by the House properly and was never intended to be passed by the House.

Now, I do not think it was the fault of the employees of the House, except that for lack of sufficient employees of the House in certain places it has been impossible in this and a number of other cases which have been brought to my attention to properly present the papers and to have them properly printed for the use of the House in the consideration of its business.

Mr. PALMER. Mr. Chairman, the gentleman from Illinois [Mr. MANN] has several times, during the present session, made the statement that the Democratic majority in this House would be forced to back water upon its House economy program which it inaugurated at the beginning of this Congress, and he points to this small appropriation for a messenger or janitor for the stenographers to committees as evidence of it. If that is the only evidence which he can produce, he has certainly failed to prove his case.

The fact is that at the time that program was presented to the House I made a statement showing exactly what offices we had abolished and the salaries attached to them, and I coupled with it the frank statement that, as to a few of those places, the plan to abolish was an experiment; that the committee itself was not entirely convinced that we could get along without the services of some of these minor officials and employees; and I named, in the statement which I then made to the House, the positions which we might be compelled, after some experience, to reinstate.

That statement was made at the very beginning, when we knew that it might be possible that we should have to restore some of these places. I mentioned places which, I think, aggregated in annual salaries \$11,000 or \$12,000. But time has demonstrated and the experience of the House has shown that, of those places, the only ones which it has been necessary to restore are these two messengers or janitors to the reporters of debates and the stenographers to committees. So that, instead of this appropriation being evidence of our having made a mistake at that time, it shows that we knew exactly what we were talking about and what we were doing, and the fact that we have not restored any of the other places that we thought we might have to restore shows that the original plan of the committee was well thought out and has worked properly in practice.

Oh, the gentleman from Illinois [Mr. MANN] can find mistakes made by employees of the House, but the employees of the Sixty-second Congress have had no monopoly in such mistakes. He, with his vivid memory, can find many cases where employees of the House in recent years, in previous Congresses, have made errors and mistakes which have been costly. I recall that the very first bill which was passed by this Congress, after this session began, was a bill to correct a mistake made by seasoned and experienced Republican employees of the former Congress, who had made such an error in enrolling a bill that we were compelled to pass a measure correcting a mistake amounting to several hundred thousand dollars in an appropriation. I would not hold that against them, and it was not evidence that we did not have sufficient employees in a former Congress. It was evidence simply of the frailty of human nature and of the fact that the class of men who become employees of this House can not be expected to do everything with the expertness and exactness with which such duties would be performed if left entirely to the gentleman from Illinois. [Applause on the Democratic side.]

Mr. MANN. Mr. Chairman, the gentleman is mistaken, in the first place, in stating that these are the only places which have

been restored. I am not complaining about the employees of the House on account of the mistakes which they have made, because a number of them are overworked. I did feel like complaining on last Saturday—although I do not now—when I desired to get a copy of the Indian appropriation bill from the document room and found it locked up at 1 o'clock, although it is supposed to remain open until at least 5 o'clock; and then when I found the Hall of the House locked, so that I could not get into my desk—merely because the Democratic Members of the House had gone on a trip to visit Mr. Wilson, and the employees assumed that Republicans did not work, when the fact is that Republicans do a large share of the work of this House.

Mr. FITZGERALD. That was a holiday.

Mr. SHARP. I suggest to the gentleman that we have not very often had the opportunity to go to see a Democratic President, and we went to see the next President. [Applause on the Democratic side.]

Mr. MANN. The mere fact that the gentleman from New York [Mr. FITZGERALD] went home or some other place does not constitute a holiday, under the precedents of the House.

Mr. FITZGERALD. I did not go away for the purpose of going home. I went to visit the next President.

Mr. MANN. I said "home or some other place." I dare say the gentleman did go home. Did not the gentleman go home?

Mr. FITZGERALD. Oh, yes; and I was glad to go home.

Mr. MANN. I am glad to have the gentleman go home once in a while. It will do him good.

Mr. FITZGERALD. The Democratic Members of the House had hoped that their Republican colleagues would take advantage of that opportunity to visit the White House, where they have not been going very much lately.

Mr. MANN. If the Republican Members of the House took advantage of the opportunity to do nothing every time the Democratic Members were on a loaf, we would have hard work getting through the business of this House.

Now, I want to say further that, in my judgment, before this session of Congress closes the expenses of this session of Congress, so far as the House of Representatives are concerned, will be proved to be greater than the expenses of any other session of Congress ever held in the history of the Government.

Mr. FOWLER. Mr. Chairman, my colleague from Illinois [Mr. MANN] charges the Democrats of the House with being "loafers." I deny that proposition. The Democrats, as well as the Republicans, have been in session here continuously in this House 13 months out of the last 16 for the purpose of discharging their congressional duties.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Pennsylvania?

Mr. FOWLER. Not now.

The CHAIRMAN. The gentleman declines to yield.

Mr. FOWLER. Many of the Democrats in this House have been in attendance here as many days as the gentleman from Illinois [Mr. MANN] has. I remember that a short time ago he took a vacation of some two or three weeks and was away from this Hall continuously during that time.

Mr. FINLEY. Will the gentleman yield?

Mr. FOWLER. Yes.

Mr. FINLEY. That was just after the Chicago convention, was it not?

Mr. FOWLER. No; it was before the Chicago convention, during the Chicago convention, and after the Chicago convention, as I remember.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. He was absent during a much longer time than the Chicago convention.

Mr. MANN. Will the gentleman yield?

Mr. FOWLER. I desire to yield first to my distinguished friend from Pennsylvania [Mr. MOORE], and then I will be glad to yield to my colleague.

Mr. MANN. Unless he yields now I do not care to have him yield at all. I wish to ask the gentleman if he was referring to me. If he was not, I do not desire him to yield.

Mr. FOWLER. I will yield to the gentleman from Illinois.

Mr. MANN. Was the gentleman referring to me on the question of absence?

Mr. FOWLER. I was.

Mr. MANN. Then the statement of the gentleman is entirely erroneous.

Mr. FOWLER. Mr. Chairman, I am not mistaken about my statement. The record of this House will show the absence of the gentleman, and the reason why it will show his absence is because it will show that he was not occupying the floor of the House at any time during that period. Every day he is here the gentleman is "It," so far as the other side of this

House is concerned. [Laughter.] I will permit the RECORD to speak as to the truth of my statement. Now I yield to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. The gentleman from Illinois said yesterday that nobody read the RECORD. Does not the gentleman think that is the worst possible reflection upon the gentleman from Illinois?

Mr. FOWLER. I do not; because of the fact that it is left to gentlemen to read the RECORD or not, as they see fit. Those who are here in attendance do not need to read the RECORD, so far as the House proceedings are concerned, because they ought to be conversant with every subject discussed. It may be necessary for Members to read the proceedings of the Senate in order to be properly informed.

Mr. MOORE of Pennsylvania. Will the gentleman allow me to put the question I wanted to propound a moment ago?

Mr. FOWLER. Yes; I yield.

Mr. MOORE of Pennsylvania. The gentleman said the Democratic Party was reflected upon by the gentleman from Illinois [Mr. MANN]. The gentleman from Illinois [Mr. FOWLER] represented the imputation and said that the Democratic Party could not be charged with a lack of industry. That is correct, is it not?

Mr. FOWLER. Yes; in substance.

Mr. MOORE of Pennsylvania. Had the gentleman special reference to the adaptability of the Democratic Party in securing appropriations?

Mr. FOWLER. My reference was to the continuous attendance here, not only of Democrats, but of Republicans. I am not making a charge against Republicans for their absence.

Mr. MOORE of Pennsylvania. The gentleman does not get the drift of my question.

Mr. FOWLER. I am objecting to the statement made by my colleague from Illinois [Mr. MANN].

The CHAIRMAN. The time of the gentleman from Illinois [Mr. FOWLER] has expired.

Mr. MANN. I ask that my colleague have five minutes more.

Mr. FOWLER. I am not asking any extension of time, Mr. Chairman, but I will yield to the gentleman if my time is extended.

Mr. GUDGER. I object.

The CHAIRMAN. The Clerk will read.

Mr. MANN. Mr. Chairman, my colleague from Illinois [Mr. FOWLER] stated that I was absent from the House two or three weeks. If I had been absent from the House two or three weeks, I should consider that I had earned the right to be away, and except my colleague from Illinois [Mr. FOWLER] I do not think a single Member of the House would begrudge me the absence from the House, so far as I am personally concerned.

Mr. FOWLER rose.

Mr. MANN. I do not yield at this time. In a moment I will.

But the gentleman stated that I was absent two or three weeks during the time of the Chicago convention and following the convention. The statement is not correct. Any Member of the House could have discovered the fact by examining the RECORD, if he were absent, or, if he had been present, certainly he would remember the fact. I was here during the entire time of the Chicago convention, and have been here since with the exception of absence when the House was not transacting business. I went home before the Chicago convention for a week, and only regret, as far as I am personally concerned, that I could not have made it two or three weeks. It is not necessary for any Member of the House in making statements, which he ought to know about, to so enlarge them through an inflated imagination that they become wholly lacking in fact. I now yield to the gentleman from Illinois.

Mr. FOWLER. Mr. Chairman, I do not want to have it understood that I am complaining at the absence of the gentleman from Illinois.

Mr. MANN. Oh, I have no doubt that that side would like to see me absent more.

Mr. FOWLER. No; Mr. Chairman, I think that every man in this House counts the day lost when he can not enjoy a joke, and the presence of the gentleman from Illinois here fills that idea completely, because he makes a joke of his side of the House by monopolizing the time and throwing into the teeth of the Members of that side of the House imputations that they are not intelligent enough to take charge of measures here and handle them as representatives of the people.

Mr. Chairman, I am not disposed at all to complain at the absence of the gentleman from Illinois, and would not have said anything with reference thereto if he had not charged the Democrats, for the purpose of making a false record, with being away from the House, loafing—an imputation of laziness and indifference—a condition which is deplorable if true.

Mr. MANN. Mr. Chairman, when I made the statement to which the gentleman refers and which he does not correctly quote, I counted the membership of the House present in the consideration of an appropriation bill carrying millions of dollars, and out of the 250 or 260 Democratic Members of this House I noticed on the floor at the time 2 more than 20—22—less than one-tenth of the responsible majority in the House present in the Chamber attending to the duties for which they ought to come here, for which they were elected, and for which they are sent. They were not attending to business here. I do not know whether they were loafing or not. They were not here.

Mr. FITZGERALD. Mr. Chairman, will the gentleman yield?

Mr. MANN. Certainly.

Mr. FITZGERALD. And this is in the consideration of what bill?

Mr. MANN. The general deficiency appropriation bill.

Mr. FITZGERALD. Oh, that is because of the confidence which the Members have in the committee over which I have the honor to preside.

Mr. BUCHANAN. I see about 32 here now, while there are but 18 on the gentleman's side.

Mr. MANN. What I said was true when I made the statement.

Mr. FOWLER. Mr. Chairman, I desire to reply to the statement of my colleague from Illinois, and repeat that when a man has spent 13 months out of 16 months here in continuous work of an arduous character I think he needs a rest, and I am not complaining of any man who asks for an opportunity to go home to see his family or to take a few days' vacation, but what I do object to is the charge of the gentleman from Illinois that such has been done on the Democratic side to the extent of "loafing" and to the extent of neglecting our duties. I do not charge to any Republican any dereliction of duty, and yet, Mr. Chairman, I assert that the attendance on this side of the House is as continuous and as great in number as it is on the other side of the House; and I say that without any reflection upon any gentleman on the other side of the House. I take it, Mr. Chairman, that it is unfair for a gentleman on the floor of this House to stand here and make a charge against Members who are coming here every day and working hard in the discharge of their legislative duties. It is unfair to single out an individual or a party in order to make that charge when, if the charge were true, it would apply to the other side equally as well.

Mr. Chairman, the gentleman refers to a condition that existed here some time ago when the deficiency bill was up for consideration.

Mr. MANN. Oh, I refer to it now.

Mr. FOWLER. It is well understood, Mr. Chairman, that men come here to work each day before eating their dinners. It is also well understood that some time during the daily session of the House Members go down to the restaurant for lunch in this building because it is necessary. This consumes only 20 or 30 minutes. The gentleman from Illinois does it the same as other gentlemen on either side of the House.

Mr. MOORE of Pennsylvania. Everybody's doing it. [Laughter.]

Mr. FOWLER. The gentleman knows that is the custom, and he knows that every man on the floor of the House is doing it. That is where many of the Members are at this time. Mr. Chairman, to try to make a point of absence of Democrats or Republicans while they are at lunch is unfair, and it is unmanly and uncalled for. I trust that my colleague from Illinois will never be guilty of such conduct again on the floor of this House.

Mr. ALLEN. Mr. Chairman, in order that the Record may show that I am present here this morning I move that all debate on this paragraph be now closed. [Laughter.]

Mr. GUDGER. Mr. Chairman, I make the point of order that there is no quorum present. I think the roll ought to be called as a reply to what the gentleman from Illinois said.

The CHAIRMAN. The gentleman from North Carolina makes the point of order that there is no quorum present. The Chair will count. [After counting.] Eighty-three Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Adair	Austin	Bates	Brantley
Ainey	Ayres	Bathrick	Broussard
Ames	Barchfeld	Beall, Tex.	Burgess
Andrus	Barnhart	Bell, Ga.	Burke, Pa.
Ansberry	Bartholdt	Boober	Butler
Anthony	Bartlett	Bradley	Byrnes, S. C.

Calder	Fornes	Lenroot	Ransdell, La.
Callaway	Foss	Levy	Reynolds
Campbell	Gardner, Mass.	Lewis	Riordan
Candler	Garner	Lindsay	Roberts, Nev.
Cantrill	Garrett	Linthicum	Robinson
Carter	George	Littlepage	Roddenberry
Cary	Gillett	Littleton	Rothermel
Clark, Fla.	Glass	Lobeck	Rucker, Mo.
Clayton	Goldfogle	Longworth	Sabath
Collier	Graham	Loud	Saunders
Cooper	Gregg, Pa.	McCall	Scully
Copley	Gregg, Tex.	McCoy	Sells
Covington	Griest	McCreary	Sheppard
Cox, Ohio	Guernsey	McGuire, Okla.	Sherwood
Crago	Hamill	McHenry	Simmons
Crumpacker	Hamilton, Mich.	McKenzie	Slemp
Currier	Hanna	McMorran	Small
Dalzell	Hardwick	Macon	Smith, J. M. C.
Danforth	Harris	Madden	Smith, Cal.
Daugherty	Harrison, N. Y.	Maher	Smith, N. Y.
Davenport	Hartman	Martin, S. Dak.	Speer
Davidson	Hayes	Matthews	Stack
Davis, W. Va.	Heald	Miller	Stephens, Miss.
De Forest	Helm	Mondell	Stephens, Tex.
Denver	Henry, Conn.	Moon, Pa.	Switzer
Dickson, Miss.	Henry, Tex.	Moon, Tenn.	Talbott, Md.
Dies	Higgins	Moore, Tex.	Taylor, Ala.
Difenderfer	Hinds	Morgan	Thistlewood
Dodds	Howland	Morse, Wis.	Thomson
Donohoe	Hughes, Ga.	Mott	Tilson
Draper	Hughes, N. J.	Murdock	Turnbull
Driscoll, M. E.	Hughes, W. Va.	Needham	Underhill
Dwight	Jackson	Nelson	Utter
Dyer	James	Nye	Vare
Edwards	Kahn	Oldfield	Vreeland
Ellerbe	Kindred	Olmsted	White
Esch	Kinkead, N. J.	Patten, N. Y.	Wilder
Estopinal	Kopp	Patton, Pa.	Wilson, Ill.
Fairchild	Lafcan	Peters	Wilson, N. Y.
Faison	Langham	Porter	Wilson, Pa.
Ferris	Langley	Powers	Wood, N. J.
Fields	Lawrence	Prince	Woods, Iowa
Focht	Lee, Ga.	Pujo	Young, Tex.
Fordney	Legare	Randell, Tex.	

The SPEAKER. Call my name.

The name of Mr. CLARK of Missouri was called, and he answered "Present."

The committee rose; and the Speaker having resumed the chair, Mr. HAMMOND, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 25970, the general deficiency bill, and finding itself without a quorum, he caused the roll to be called, and 189 Members responded, and he reported the names of the absentees to the House.

The SPEAKER. The Chairman of the Committee of the Whole House on the state of the Union reports that that committee finding itself without a quorum, he caused the roll to be called, and 189 Members responded, a quorum, and he reports the names of the absentees, which will be entered upon the Journal. The committee will resume its sitting.

The committee resumed its sitting.

The Clerk read as follows:

The unexpended balance of the sum appropriated for expert clerical and stenographic services, to be disbursed by the Clerk of the House on vouchers approved by Representative OSCAR W. UNDERWOOD, is re-appropriated and made available for expenditure during the fiscal year 1913.

Mr. MANN. Mr. Chairman, I reserve a point of order on the item just read, or I will make the point of order. I see the gentleman from Alabama [Mr. UNDERWOOD] here. It is not customary, of course, to appropriate money to be expended under the direction of one Member of Congress. When this appropriation—

The CHAIRMAN. Will the gentleman from Illinois please state to what paragraph he refers?

Mr. MANN. To the paragraph contained in lines 14 to 19. When this appropriation was made in the last Congress it was made to be expended under the direction of the gentleman from Alabama [Mr. UNDERWOOD], knowing he was to be the chairman of the Committee on Ways and Means, and it was not known that there would be a special session of Congress; but it was known that the Democratic members of the Ways and Means Committee would naturally desire to make investigations of tariff questions, and there was no other way to provide the necessary money for it. Now, of course, the Committee on Accounts at any time has authority to allow to the Ways and Means Committee such expenditures of money or such additional aid as may be required. Now, does anyone think we ought to start the practice of appropriating money to be expended by the chairman of an existing committee as he pleases, when the House is organized and has control over the situation?

Mr. UNDERWOOD. Mr. Chairman, I am very glad the gentleman from Illinois has given me an opportunity to make a statement in regard to this item. Before this Congress met the Republican Congress which preceded it, knowing that there would be an effort on our part to take testimony and rewrite

the tariff laws, at my request and at the request of Members on this side of the House, put in one of the bills—I think it was in the general deficiency bill—a provision providing for \$7,500 to be used by the Ways and Means Committee for clerical hire; that is, to be used by myself for clerical hire, but really intended for the use of the Ways and Means Committee for clerical hire in the investigation work preparatory on tariff bills. That \$7,500, of course, was made available for me to expend as an individual and not as chairman of the Ways and Means Committee, because the Ways and Means Committee had not been organized, but the caucus in the preceding February had practically selected me as chairman of the Committee on Ways and Means. Now, I have taken that money. We have reported to this House six or seven important tariff bills. We have made more voluminous reports to this House on tariff bills than any Committee on Ways and Means has ever made to the House of Representatives. I have been very careful in the expenditure of the money. There is now about, I do not know the exact amount, but there is in the neighborhood of \$1,500 still remaining of the \$7,500 appropriated, but the appropriation only made the money available up to the 1st day of July. Therefore what remains is not available and can not be drawn out on my signature because the 1st day of July has passed. Now, when you consider the fact that it cost over \$50,000 in extra clerical hire for the Ways and Means Committee to prepare the Payne tariff bill, that the Republican House paid to one of its regular employees in the Ways and Means Committee in the preparation of that bill in extra compensation \$5,000, whereas I have not paid a single extra dollar of this amount that was allowed by the House to any man who was on the regular rolls of that committee, but a large portion was paid to Mr. Parsons, the expert whom I had employed at \$400 a month, to aid the Ways and Means Committee. So that there is none of it that has been paid out except for clerical help that was actually needed. I have not asked this House for a single dollar for all the work that has been done by the Ways and Means Committee. The total amount that we have asked for in the way of furniture or extra stationery or extra work from the Accounts Committee during this entire Congress has been \$96. I think that is just as good a showing as any Ways and Means Committee has ever made in the way of expenditure of money allowed to it. We have been as economical as we could. I want to state to the gentleman from Illinois the reason why we ask that this item be made in this way. When the money was appropriated and made available the Clerk of the House under the former appropriation drew the money from the Treasury and put it in the Clerk's office down here in the House. It is there now. It is not in the Treasury, it is in the Clerk's office and in the Clerk's hands. Possibly under those circumstances I could have gone on and checked until the full amount was used, but I did not want to do that.

Now, it is not there to the credit of the committee; it is not in the Treasury; and it is not available to anybody, if you continue this appropriation, except on my order. There is not a voucher in the hands of the Clerk except for clerk hire—for persons employed. Now, we could let the other \$1,200 or \$1,500 lapse but we have got other tariff work to pursue. I do not often call for extra clerical help, but occasionally I need it. I think before Congress adjourns I probably will need the balance of this \$1,200. It is there in the Clerk's office. If I had wanted to use it I could have checked out before the 1st of July came, but as I did not have an immediate necessity for its use I left it there. Now, I think the Ways and Means Committee is asking very little of this House when we ask that we should have available the balance of this appropriation that was made two years ago to continue our clerical force, and if you want to convert it back into the Treasury you will have to provide for the Clerk to return the money to the Treasury, because it is not in the Treasury. To do that the only proper way to make it available is to authorize the expenditure of this unpaid balance. I am not asking any additional appropriation. This bill merely asks that I may be authorized during the balance of this session to expend this \$1,200 or \$1,500 that is in the Clerk's hands that was made available for the Ways and Means Committee's use two years ago. I think we will need that amount of money. If we do not need it, I certainly will not expend it, because I did not expend it when I did not need it and had the opportunity to expend it. And I can see no reason why it should not go on this bill and be made available.

Mr. FITZGERALD. I discussed this matter with the gentleman from Alabama [Mr. UNDERWOOD], and I think he overlooks this: I call his attention to the fact that this was an unusual method of providing for the expenditure of money, and this balance of \$1,500, or whatever it may be, is still unexpended. And as the services that were likely to be required were more

or less of a temporary character, and clerks might be employed for a short time, and then dropped and others picked up, the gentleman from Alabama thought that to continue the method that had been followed with the original appropriation would be much more convenient than to ask the Committee on Accounts from time to time for some little assistance when it was impossible to determine definitely how long the assistant might be required.

Mr. MANN. Mr. Chairman, the gentleman from Alabama [Mr. UNDERWOOD] seemed to think that I was making some question about his method of expenditure of the money, and saw fit, I think wholly unnecessarily, to explain how he expended it and how economically he had expended it. When a Republican House provided this appropriation they had confidence in the gentleman from Alabama making any expenditure with reasonable economy and making it fairly, and no one doubts the gentleman has entirely fulfilled the expectations of the Republican Congress when they made the appropriation available under his order.

That is not the question which I raised at all. I am not sure under what authority the Treasury Department has turned over this money to the Clerk as disbursing agent. There is no authority in the appropriation for that purpose. The appropriation provided that the money should be disbursed on vouchers approved by the gentleman from Alabama.

Mr. UNDERWOOD. But the gentleman overlooks the fact that the appropriation provided it should be disbursed by the Clerk on vouchers approved by me, and therefore the Clerk drew the money and put it in the vault.

Mr. MANN. Very well. But the gentleman made a mistake in assuming that he could have drawn this money out before the 1st of July, because he could not draw any of it out, except on vouchers approved by him, and he could not put in false vouchers, because that is not in his moral power.

Mr. UNDERWOOD. I meant that I might have been extravagant.

Mr. MANN. The gentleman might have expended it. But if the gentleman had been the kind of a man who would have expended it unnecessarily, it never would have been appropriated. The point here is whether it shall become the practice of the House, when the House is organized, that any committee can have a resolution presented to the Committee on Accounts and through the Committee on Accounts to the House, and whether with that power we shall still appropriate money to be expended by the chairman of a committee. I have been the chairman of a committee of Congress for a number of years. I often saw occasions where I thought I could profitably, in the interest of the public service, expend money. Yet I never thought that it would have been a desirable thing to have given the chairmen of committees the power to spend money directly on vouchers approved by them; and I do not think the gentleman from Alabama would disagree with me on that proposition at all. If it is understood that this kind of an item is not to be considered as a precedent, granting the appropriation of money to be expended wholly under the personal jurisdiction of Members of the House, after the House is organized, when the committees are organized, when the House has complete control over its contingent fund, out of which such expenditures ordinarily are paid and ought to be paid, I shall not insist on the point of order with that understanding. I am opposed to making precedents here to undertake to make appropriations, however controlled, simply by the personal membership of the House.

Mr. UNDERWOOD. If the gentleman from Illinois will allow me, I will say to him candidly that I agree with him. I think he is absolutely right in his statement that the House should not make appropriations for expenditures to be controlled under one man. It has already been explained how it happened that this appropriation was made available to me.

Mr. MANN. I think the appropriation in the first place was properly made because of the peculiar circumstances at that time.

Mr. UNDERWOOD. It does not make a precedent. If it was to ask for any new money that had not been drawn out of the Treasury and had not been made available, I would go to the Committee on Accounts.

Mr. MANN. The gentleman will admit it is making a precedent. The original appropriation was made because the House was not to be in session until the first of December. The Democrats had a majority in the Sixty-second Congress, not yet having their seats, and desired to have work done in reference to the tariff. The House in the Sixty-second Congress not being organized, and not expecting to be organized until December, there was no way of providing for payment of money out of the contingent fund and no way of providing that the com-

mittee should have control of it. And inasmuch as the gentleman from Alabama [Mr. UNDERWOOD] had been selected by a Democratic caucus as the future chairman of the Committee on Ways and Means, it was entirely proper to allow him to control the expenditure of the money. But of course that situation does not apply now.

Mr. UNDERWOOD. Well, the only thing wherein I say it does apply now is this: As to this particular money, it is in the hands of the Clerk of the House. It has got either to go back into the Treasury or be made available under the old law to my order. What I say is this: This does not establish a precedent. I object to a precedent being established as much as the gentleman from Illinois. I think we have been economical in the expenditure of this money.

Mr. MANN. I think the gentleman has been too economical. He has not given us enough information.

Mr. UNDERWOOD. We certainly have not been extravagant. But I will say to the gentleman that before the end of this session, and certainly before the end of the next session, we have got to send out here and there to get a man to do a little incidental work, and that money will be needed; and as I have been economical in the administration of the affairs of the committee and, as I say, more so than any other chairman that I know of, I think it is nothing more than right that we should have this appropriation—money already out of the Treasury—extended so that we can use it. But I do not desire to make any precedent, and rather than have the House think it is making a bad precedent I would prefer that the House should turn it down. But I think the money will be needed, and it will expedite the work of this Congress. The work in the Ways and Means Committee has not been partisan work. It has always been open to both sides of the House and open for individual Members to go there and get the information they desire.

Mr. MANN. Mr. Chairman, in a few days I shall undertake to test the sense of the House upon the proposition as to whether it is desirable to have information concerning the tariff collected—information which shall be available to all Members of the House and to the country—in connection with a Senate amendment to the sundry civil appropriation bill providing for the Tariff Board. In the meantime I shall not object to the appropriation for the benefit of the Democratic members of the Ways and Means Committee. I withdraw the point of order.

The CHAIRMAN. The Clerk will read.

Mr. PAYNE. Mr. Chairman, I move to strike out the last word. I have no objection to the appropriation being made—all the appropriation that is necessary in the opinion of the gentleman from Alabama—for carrying on the tariff work and getting information. They need it.

But, Mr. Chairman, I would be glad if what the gentleman states were true, in fact, that their work has been open to all the members of the committee, that the minority members had some chance of getting the information which the chairman claims he has gathered together that we may know the sources of that information, from whom it comes, whether it is reliable, what is the nature of it, that we might have a chance to meet the gentlemen who gave that information, if there are any such people; that we might know all about it.

Mr. UNDERWOOD. I will state to the gentleman—

Mr. PAYNE. In a moment. The gentleman has spoken in contrast of the amount expended by the last Republican committee in formulating a tariff bill which covered the whole tariff question, and he says that he thinks we expended some \$50,000. I never had the curiosity to know what the sum was. I did examine the individual bills and vouchers, and saw to it that they were proper at the time they were certified by me. But that committee did go into the subject. The committee did examine witnesses. That committee did see to it that the minority members of the committee were present during all those examinations, and the committee did not hide and cover up the results of those examinations. The committee published every day hearings of the day before, every word that was said, and, when we closed, our mailing list was something over 2,500 copies, which were sent out daily to the people of the country, with the invitation to them to come in and correct any misstatements that had been made. We were securing information, and we got information.

The gentleman has spoken of the amount of work that he did. Well, I will not say anything about that. I will simply refer the gentleman to the statement of the present Speaker of this House as to the amount of work done by the committee in 1908 and 1909—work which, he says, shortened the lives, no doubt, of every member of the committee, for a vast amount of work was done during the 24 hours of each day during the

period of time that that matter was under consideration and investigation by the committee.

Now, I am making these remarks only because I think my friend from Alabama [Mr. UNDERWOOD] was led into an unfair statement of contrast about the work done and the amount of expenditures, in consideration of the information that was obtained by the committee in 1908 and the amount of information which he has procured for his committee during the past year.

Mr. UNDERWOOD. Mr. Chairman, I am not reflecting on the gentleman from New York [Mr. PAYNE] or on his management of the committee. When I say his committee expended over \$50,000 in preparing the last tariff bill, I do not say that they expended it unwisely. I do not say that the amounts he paid for services were more than those services were worth, but I simply call attention to the fact that the gentleman paid in extra compensation to his regular employees more than we have asked for all the work we have done. That is not intended as a criticism, but it is intended as a justification of the amount of our expenditures to show to the House.

Now, as to the information, every bit of information that we have gathered we have published, and it is in reports or on record in the files of this House. The sources of information are noted in the reports. We have had no hearings from the manufacturers, because the manufacturers of this country had appeared before the gentleman's committee only 18 months before we went to work, and had stated their whole case. I stated to them in an open circular, and to many of them personally, that if they had anything new to say by which they intended to supplement their statements when they appeared before the committee presided over by the gentleman from New York [Mr. PAYNE] we would give them hearings. But none of them could show me that they had anything more to add to what they had already stated, and I did not care to take up the time of the committee and the time of the House.

Now, outside of the interested manufacturers, we had no applications for hearings. Most of our information that we gathered, that was not in the hearings that had previously been taken by the committee, came from the department. We needed the clerks to tabulate results. Some of it came from the Tariff Board, for which we spent \$250,000 a year to accumulate these results.

Now, when I say that the additional pay for clerical work by the Ways and Means Committee in this Congress to bring up these tariff bills amounted to only about \$6,000, and was hardly one-tenth of what the previous Ways and Means Committees have paid for the same class of work, I do not mean to say it as reflecting on the committee presided over by the gentleman from New York [Mr. PAYNE] or to criticize his work, because I am here to testify that he worked strenuously, earnestly, and gave his best endeavors to his committee and to the House. The only point in reference to which I have to criticize the gentleman from New York [Mr. PAYNE] about his tariff work is that I do not believe in the theory on which he produced his results.

I would not ask for the continuation of this appropriation if I did not think it was for the benefit of the House and necessary for the House that we should have a few hundred dollars more in order to finish up the tariff work we have on hand.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. JOHNSON of Kentucky having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 125. Joint resolution making appropriation for checking the ravages of the army worm.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 24450) making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1913, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. DU PONT, Mr. WARREN, and Mr. JOHNSTON of Alabama as the conferees on the part of the Senate.

* The message also announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 21214. An act to extend the special excise tax now levied with respect to doing business by corporations, to persons, and to provide revenue for the Government by levying a special excise tax with respect to doing business by individuals and copartnerships.

GENERAL DEFICIENCY APPROPRIATION BILL.

The committee resumed its session.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

JUDGMENTS IN INDIAN DEPREDAATION CLAIMS.

For payment of judgments rendered by the Court of Claims in Indian depredation cases, certified to Congress in House Document No. 776, at its present session, \$39,971; said judgments to be paid after the deductions required to be made under the provisions of section 6 of the act approved March 3, 1891, entitled "An act to provide for the adjustment and payment of claims arising from Indian depredations," shall have been ascertained and duly certified by the Secretary of the Interior to the Secretary of the Treasury, which certification shall be made as soon as practicable after the passage of this act, and such deductions shall be made according to the discretion of the Secretary of the Interior, having due regard to the educational and other necessary requirements of the tribe or tribes affected; and the amounts paid shall be reimbursed to the United States at such times and in such proportions as the Secretary of the Interior may decide to be for the interests of the Indian Service: *Provided*, That no one of said judgments provided in this paragraph shall be paid until the Attorney General shall have certified to the Secretary of the Treasury that there exists no grounds sufficient, in his opinion, to support a motion for a new trial or an appeal of said cause.

Mr. BURKE of South Dakota. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 44, after line 15, insert a new paragraph, as follows:

"That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$3,305,257.19, being the net amount of a judgment rendered by the Court of Claims in favor of the Confederate Bands of Ute Indians, dated February 13, 1911, exclusive of the amount awarded for attorney's fee, pursuant to the provisions of the jurisdictional act approved March 3, 1909, the same to bear interest at the rate of 4 per cent per annum from and after the date of said judgment, the amount thereof and the interest accruing thereon to be deposited in the Treasury to the credit of said Indians and be held as a trust fund in accordance with the act of June 15, 1880, being 'An act to accept and ratify the agreement submitted by the Confederate Bands of Ute Indians in Colorado for the sale of their reservation in said State, and for other purposes.'"

Mr. FITZGERALD. Mr. Chairman, I raise the point of order on the amendment.

Mr. BURKE of South Dakota. Mr. Chairman, I do not think the gentleman will contend that this is subject to a point of order.

Mr. FITZGERALD. I do very seriously contend that it is subject to a point of order.

Mr. BURKE of South Dakota. Mr. Chairman, I understand the point of order is reserved. I do not believe the amendment is subject to a point of order, and am sure the gentleman from New York will not make it when he has had an opportunity to examine it.

It has been the custom of the House for many years to provide appropriations in deficiency appropriation bills to pay judgments of the Court of Claims. The amendment which I have offered proposes to pay a judgment of the Court of Claims from which no appeal has been taken, and the time for appeal has expired.

Yesterday, in the general debate, I interrogated the distinguished gentleman from New York [Mr. FITZGERALD], the chairman of the Committee on Appropriations, as to why this item was not included in the pending bill, and he stated very frankly that it ought to be upon this bill if it was going to be appropriated for at all. I want to call attention to the further statement that he made in response to an inquiry by the gentleman from Kentucky [Mr. JOHNSON] with reference to an item in the bill that provided an appropriation to pay certain judgments. He said:

Mr. Chairman, I did not look particularly to see what the judgments were for. They were final judgments of the court, from which no appeal had been taken, and from which none could be taken. It is customary for Congress to pay judgments of the courts after the time for appeal has expired.

Mr. Chairman, this is just such a judgment, a final judgment, of the Court of Claims. No appeal had been filed, and the time for appeal has expired; therefore no appeal can be taken. If it is not in order to provide for the payment of such a judgment in this bill, then I do not know on what bill it would be in order to provide for it. It was stated in the general debate that one of the reasons why it was not provided for in this bill was that it had been added to the Indian appropriation bill as an amendment at the other end of the Capitol.

Certainly it does not belong on the Indian appropriation bill, which is a bill making appropriations for the current expenses of the Indian Bureau; and an amendment proposing to appropriate \$3,500,000 to pay a judgment of the Court of Claims would not be in order if offered to the Indian appropriation bill in the House, for it is a deficiency and would only be in order in a deficiency bill.

If the Senate amendment to the Indian appropriation bill is concurred in, it will increase the amount carried by the bill the amount of this judgment, thus seeming to increase the appropriations for the Indian Bureau unfairly, because that item should not and can not be charged to the annual expenditures of the Indian Bureau. Therefore it ought not to be in the Indian appropriation bill, but should be in this or some other bill reported by the Committee on Appropriations. The gentleman from New York [Mr. FITZGERALD] said yesterday: "It is customary for Congress to pay judgments of the courts after the time for appeal has expired."

I am going to briefly refer to the basis for this judgment, and will first state that in 1868 the Ute Indians occupied a very large territory in what is now the State of Colorado and, I think, perhaps extending into adjoining States. A treaty was entered into with the Indians, and article 2 of the treaty which was made in 1868 ceded all of the lands that the Indians claimed, with the exception of about 15,000,000 acres.

Article 2 of the treaty reads as follows:

Said Tabogauche Band of Utah Indians hereby cede, convey, and relinquish all of their claims, right, title, and interest in any, to any, and all lands within the territory of the United States, wherever situated, excepting that which is included within the following boundaries, which are hereby reserved as their hunting grounds.

Then follows a description, by metes and bounds, of the lands reserved, which are set apart for the absolute and undisturbed use and occupation of the Ute Indians, comprising 14,784,000 acres of land.

By treaty dated September 13, 1873, the Indians ceded to the United States 3,059,200 acres. That treaty was ratified by act of April 29, 1874. There is no contention with reference to the payment for these lands, and it does not enter into the questions involved in the judgment that my amendment proposes to pay.

By a treaty approved June 5, 1880, the Indians ceded the balance of their reservation to the United States. In other words, they ceded something over 11,000,000 acres to the United States and relinquished all their right, title, and interest therein, with the exception of such lands as were allotted them in severalty.

The individual allotments were made, and by the terms of the treaty the surplus lands were to be disposed of by the United States at the same price and on the same terms as other lands of like character, and it was expressly provided that none of the lands should be liable to entry and settlement under the provisions of the homestead law, but sold for cash and the proceeds received from the sale to be employed for reimbursing the United States for all sums paid out or set apart by the Government for the benefit of the Indians, the residue to be deposited in the Treasury to their credit. In other words, the Indians ceded their right to 11,000,000 acres of land and the United States agreed to sell it and account to the Indians for the proceeds received from the sale.

There had been sold up to and including June 30, 1908, 1,310,686.33 acres, for the sum of \$2,204,694.71.

The Government from time to time has created and established a number of forest and other reservations, covering the lands ceded by the Indians, aggregating 3,199,258 acres. That is, the Government instead of selling this amount of land, as the treaty of 1880 required, appropriated it to its own use and made forest reservations of it.

By a proviso incorporated in the Indian appropriation act of March 3, 1909, jurisdiction was conferred upon the Court of Claims to hear, determine, and render final judgment on the claims and rights of the Indians, including the value of all lands ceded by the Indians which had been set apart and reserved from the public lands as reservations, or for other public uses under existing laws and proclamations of the President, as if disposed of under the public-land laws of the United States.

Right at that point I want to again call the attention of the committee to this situation: This act of 1880, by which the Indians ceded this 11,000,000 acres of land to the United States, provided in express terms that the lands should be sold as other public lands were to be sold, and the proceeds were to go to the Indians, except the United States was to be reimbursed for all sums paid out or set apart for the benefit of the Indians. The jurisdictional act of March 3, 1909, directed the court to "except such sums as have been paid for a specific purpose and an adequate consideration."

The Government did sell, as a matter of fact, and received pay for something over \$2,000,000 worth of land—to be exact \$2,204,694.71—and withdrew from public sale large areas and incorporated them in forest and other reservations, the amount so withdrawn being 3,199,258 acres.

Mr. Chairman, the jurisdictional act of March 3, 1909, authorized and directed the court to ascertain how many acres of land had been appropriated by the Government, determine its value, and to render a judgment against the United States for whatever that amount might be.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BURKE of South Dakota. Certainly.

Mr. MARTIN of Colorado. Will the gentleman kindly restate the amount received by the Government for the sale of these ceded lands?

Mr. BURKE of South Dakota. I shall do it in a moment.

Mr. MARTIN of Colorado. I want to base a question upon it.

Mr. BURKE of South Dakota. The amount of land that had been sold up to and including June 30, 1908, was 1,310,686.36 acres, and it was sold for the sum of \$2,204,694.71.

Mr. MARTIN of Colorado. What part of that sum has been paid to the use of the Indians?

Mr. BURKE of South Dakota. I will say this in answer to that question, that no part of it has been directly paid, as I understand it, but certain moneys have been expended from time to time for the benefit of the Indians, and in the jurisdictional act the court was directed to ascertain how much money had been received from the sale of ceded lands, also the value of lands that the Government had appropriated for forest reservations, and then was to set off against any amount they might find was due such moneys as had been paid or expended for the Indians as gratuities or otherwise, except in cases where there had been an adequate consideration.

Mr. MARTIN of Colorado. The reason I asked the question was that it is my understanding, although that was questioned yesterday by the gentleman from New York, that a large part of the judgment was for the selling price of the ceded lands sold by the Government, but I want to further add that whether that be true or not it does not affect the validity and merit of the claim.

Mr. BURKE of South Dakota. That is not correct in any event. The court found that 3,199,258 acres had been included within forest or other reservations, and that the Indians should be paid therefor at \$1.25 per acre, and found the amount that was owing from the United States to the Indians for those lands to be \$3,999,092.50.

Mr. RUCKER of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BURKE of South Dakota. Certainly.

Mr. RUCKER of Colorado. As I understood the gentleman from New York [Mr. FITZGERALD] yesterday, he makes a distinction between what has been reserved and put into forest reservations against what has been sold by the Government. I understand the gentleman makes no distinction about that, because the price has been fixed and is just the same as if the Government had sold, inasmuch as it had taken over into the forest reservations the 3,000,000 acres of land at so much per acre.

Mr. BURKE of South Dakota. Mr. Chairman, I will state to the gentleman that the average price received for the lands that were sold was \$1.68 an acre. The court found that as to the lands that the United States had withdrawn and had appropriated for its own use for forest reservations it should pay to the Indians \$1.25 per acre, so they do not get quite as much for the lands taken by the Government as they get for the lands that the Government sold for the benefit of the Indians. But in the opinion of the court it is stated that the lands that had been disposed of are probably the better lands, and that in these forest reservations perhaps some of the land is of little value, and therefore the Indians would be getting a fair and adequate price if paid \$1.25 per acre, and the court fixed that price, and in making a finding as to the value of the land only did what Congress by the jurisdictional act expressly directed.

I would like to read from the opinion of the court as reported in volume 45, Court of Claims Reports, page 440. I am reading from the opinion on pages 467-8:

The jurisdictional act directs this court to hear, determine, and render final judgment on the claims and rights of the Utes under the agreement of 1880, including the value of all lands "which have been set apart and reserved from the public lands or public reservations or for public uses under existing laws and proclamations of the President, as if disposed of under the public-land laws of the United States, as provided by said agreement." We are told to render judgment for the value of these lands "as if disposed of under the public-land laws of the United States, as provided by said agreement." The agreement referred to contained directions as to the manner in which these lands were to be disposed of, i. e., they were to be surveyed, were not to be liable to entry and settlement under the provisions of the homestead law, but were to be sold for cash only. Hence the direction that we are to render judgment for the value of these lands as if disposed of "as provided by said agreement" evidently means that we are to regard them as having been sold for cash at the date of entry of judgment, and this sum is to be placed to the credit of the plaintiffs.

The amount allowed by the court for the lands appropriated by the United States, namely, \$3,999,092.50, together with the \$2,204,000 received from the sale of ceded lands from 1880 up to 1908, aggregates \$6,203,767.21. The jurisdictional act directed the court to ascertain all moneys that had been paid to the Indians, whether as gratuities or otherwise, except such sums as had been paid for a specific purpose and an adequate consideration, and set off the amount against any sum found due the Indians. The court found there had been paid to the Indians the sum of \$2,795,155.81, which sum, when deducted from the amount found to be due, left a balance of \$3,408,611.40, for which judgment was entered.

At this point I desire to call attention to the fact that there are only 2,000 Indians of the Ute Tribes, and that in addition to the amount that they are to receive by the judgment there are 7,569,144.38 acres of land yet to be disposed of, and the proceeds will have to be paid to the Indians. It transpires that, so far as these Indians are concerned, when they made the treaty of 1868 and again in 1880 they made a very good bargain with the United States, and probably the best bargain that any tribe of Indians ever made with the Government; but that does not change the fact that it is the moral duty of the Government to pay its obligations to them and to other Indians, and whatever we owe them under solemn treaties and agreements we ought to pay.

The court, in February, 1911, set aside the judgment and rendered a new judgment, finding that after July 1, 1908, there had been received \$207,456.21 for lands disposed of after that time and that the Government had expended \$939,835.65 on account of the Indians, leaving a balance of \$107,619.65 to the credit of the Indians, which was added to the judgment rendered originally when this case was determined in 1910 and a final judgment of \$3,516,231.05 was entered, which amount is due the Indians, less what has been paid to the attorneys who succeeded in getting through Congress the jurisdictional act, a service that consisted almost entirely of lobbying in the House and Senate, \$210,973.86, and they have received their money.

Mr. CULLOP. Mr. Chairman, will the gentleman yield?

Mr. BURKE of South Dakota. I yield.

Mr. CULLOP. When was this last judgment rendered? What was the date of it?

Mr. BURKE of South Dakota. The last judgment was rendered on February 13, 1911, too late to be certified as an item to be appropriated for in the last Congress.

Mr. FITZGERALD. Why was that too late?

Mr. BURKE of South Dakota. There was time for an appeal. In other words, the Government was entitled to some time within which to take an appeal. I do not know just what the time would be, but until the time for appeal had expired the judgment would not be certified to Congress by the Secretary of the Treasury; and as the judgment was entered February 11, 1911, and Congress adjourned March 4 following, I am certain it will be conceded that the time for taking an appeal had not expired.

Mr. CULLOP. There has never been an appropriation made to pay that judgment?

Mr. BURKE of South Dakota. Never.

Mr. CULLOP. How did these lawyers get their money if there was no appropriation?

Mr. BURKE of South Dakota. By their shrewdness in putting into the jurisdictional act a provision that enabled them to obtain their money just as soon as the judgment was rendered; and they have been paid.

Mr. CULLOP. But if no money was appropriated to pay this judgment, who had authority to pay them out of the Treasury?

Mr. BURKE of South Dakota. I am only stating to the gentleman what the facts are.

For the information of the gentleman from Indiana I will say that the jurisdictional act of March 3, 1909, relative to the compensation to the attorneys, contains the following language: "Said compensation shall be paid to such attorney by the Secretary of the Treasury out of any money in the Treasury arising from the sale of said ceded lands or from the proceeds of said judgment."

At that time of the ceded lands there had been sold 1,310,686.36 acres for the sum of \$2,204,694.71, and under the act of 1880 this money belonged to the Indians, and they had this amount due them less any moneys that may have been expended on their account, and therefore I assume that the disbursing officer of the Treasury Department considered he was authorized to pay the attorneys, and I do not suppose he could have done so unless the comptroller so decided.

Mr. CULLOP. What disbursing officer paid this?

Mr. BURKE of South Dakota. It was paid through the Treasury Department. I am unable to give the details, except as I have stated.

Mr. CULLOP. Certainly there is no authority to pay it if there had been no money appropriated for that purpose, and there would surely be a liability on the part of the officer who paid it to refund it back to the Government. I do not understand that there is any authority—

Mr. BURKE of South Dakota. I did not yield for a speech. If I can have plenty of time I will gladly yield. I think I have already stated upon what authority the attorneys were paid.

Mr. MARTIN of Colorado. Will the gentleman yield before he gets too far away from the question of this judgment? Was it not provided for in the last appropriation bill, in the last Congress? I wish to say it is my recollection, and I had occasion to inquire into that, that there was considerable time allowed in which to take an appeal from that judgment, and I believe, if the gentleman will inquire and wishes to insert the matter in his remarks, that he will find that there were two or three months in which to take an appeal from that judgment.

Mr. BURKE of South Dakota. I will say to the gentleman it was not certified to Congress until January 6, 1912, and the item is incorporated in House Document 410, Sixty-second Congress, second session.

The letter from the Secretary of the Treasury submitting the estimate is as follows:

THE TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, January 6, 1912.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith, for the consideration of Congress, copy of a communication from the Secretary of the Interior, of this date, submitting an estimate of appropriation for the payment of a judgment of the Court of Claims in favor of the Confederate Bands of Ute Indians, dated February 13, 1911, \$3,305,257.19.

Respectfully,

FRANKLIN MACVEAGH, Secretary.

Accompanying the estimate is a communication from the Secretary of the Interior, which is as follows:

DEPARTMENT OF THE INTERIOR,
Washington, January 6, 1912.

THE SECRETARY OF THE TREASURY.

SIR: I have the honor to transmit herewith an estimate for the appropriation of the net amount of a judgment of the Court of Claims in favor of the Ute Indians, dated February 13, 1911, aggregating the sum of \$3,305,257.19, for incorporation in the general deficiency bill.

The estimate has been submitted to the President and has received his approval. It is forwarded, through your department, for the appropriate action of the Congress.

Very respectfully,

WALTER L. FISHER, Secretary.

I want to say, for the information of the House, that the court took into consideration all of the items that had been expended on account of the Indians and found that there should be a set-off of \$2,795,155, and that amount was charged to the Indians. The court did not set off certain other amounts that the defendants claimed ought to be allowed, on the ground that there was an adequate consideration in the treaties under which these expenditures were made and the jurisdictional act so directed. In the opinion the court said:

Congress from time to time made appropriations of money to the plaintiffs, which in terms were made in pursuance of the treaties of 1863 and 1868. (13 Stats., 560; 17 id., 457.) After such treaty stipulations with the plaintiffs and after such recognition of their validity for more than 40 years, we do not think the defendants can successfully set up the claim that these payments were made without adequate consideration. Certainly no such claim would ever be made against any people other than Indians. We do not think, therefore, that the plaintiffs are properly chargeable with any payments made to them under and pursuant to the treaties of 1863 and 1868. We are also asked to charge the plaintiffs with \$70,064.78, appropriated by act of Congress May 27, 1902 (32 Stats., 263), to be paid to the Uinta and White River Utes. This appears to relate to an entirely different transaction than the one under consideration. * * * and said sum of \$70,064.78 was appropriated to be paid said Indians for relinquishing their title to such unallotted lands, the same to be reimbursed in the manner before stated.

I have examined the treaties, and I find that the court could not, in view of the language in the jurisdictional act, do different than it did in refusing to charge these amounts against the Indians. On the other hand, the plaintiffs contended that they were entitled to compound interest from 1880 and claimed nearly two million and a half dollars of interest, which the court disallowed. It not only disallowed the compound interest, but it disallowed simple interest. The Court of Claims, under date of February 13, 1911, under the heading "Conclusion of law," stated as follows:

Upon the previous findings of fact, and including the above supplemental finding, the former judgment is set aside, and the court now decides as a conclusion of law that the plaintiffs are entitled to judgment against the United States in the sum of \$3,516,231.05 as and for the sum due to them up to and including June 30, 1910, out of which judgment, as provided by the jurisdictional act and the stipulation between claimants' attorneys, there shall be paid to Josiah M.

Vale, Esq., attorney of record in said cause, for himself and all other attorneys and counsel interested in the prosecution of said cause before committees of Congress and this court 6 per cent thereof, amounting in the aggregate to \$210,973.86.

Gentlemen, the attorneys have been paid, and unless Congress makes an appropriation to pay this judgment in the near future I apprehend that these same gentlemen will probably get a contract with the Indians for the purpose of collecting the judgment; and when Congress makes the appropriation they will get \$210,000 more, and therefore we ought to provide for its payment now.

Mr. FITZGERALD. Will the gentleman yield for a question?

Mr. BURKE of South Dakota. Certainly.

Mr. FITZGERALD. Does the gentleman think the Secretary of the Interior will approve any such contract as that, which is necessary in order to make it valid?

Mr. BURKE of South Dakota. I will say to the gentleman there is no approved contract for the fees which were allowed in this case. They were allowed by the court.

Mr. FITZGERALD. The law specifically provides for such allowance, which is very important. If it had not been for that provision of the statute no contract made between the attorneys and the Indians for their services could have been enforced unless it had been approved by the Secretary of the Interior.

Mr. BURKE of South Dakota. I want to call the gentleman's attention to the fact that those gentlemen took care of that when the jurisdictional act was prepared and incorporated in the Indian appropriation bill, and they left it to the court to determine what they should receive.

Mr. MANN. Will the gentleman yield?

Mr. BURKE of South Dakota. Certainly.

Mr. MANN. Is it not a fact the court did not determine the matter, but took the agreement between the counsel as to what the fees should be?

Mr. BURKE of South Dakota. I think not, because the jurisdictional act of March 3, 1909, provides:

In rendering judgment herein the court shall fix upon a quantum meruit and set apart a just and reasonable compensation to the attorneys on behalf of plaintiffs who have rendered actual service in perfecting said claim before the committees of Congress and in conducting the said cause before the courts.

Mr. MANN. See what the judgment says.

Mr. BURKE of South Dakota. The court says:

The jurisdictional act provides that such fees are to be allowed for services before committees of Congress in the matter of this claim as well as for services before the courts.

It appears that the principal services rendered in this matter were before committees in Congress. Such services can hardly be allowed for on the basis of the professional services of a lawyer, and this fact renders it somewhat difficult to determine the amount properly to be fixed. The fact also should be noted that there was no appeal from the decision of this court in this suit, which would necessarily involve considerably more labor and expense; neither were any witnesses examined on either side. In fact, the whole case was tried upon the record as made up by official reports and public documents. The jurisdictional act by which the suit comes to this court provides that upon the rendition of judgment herein the payment to the claimants of the annuity of \$50,000 per annum shall cease, and the fund of \$1,250,000 set apart for them in the Treasury shall no longer exist as a trust fund for their benefit. This fact materially reduces the actual benefit which the claimants are to receive by virtue of the judgment.

I want to call attention to the fact that these Indians had to their credit, or what amounted to their credit, \$1,250,000, about which there was no dispute, and the jurisdictional act provided that that should be included in the judgment, and so it did become a part of the judgment, and the attorneys got 6 per cent on the amount of \$1,250,000, which was in the Treasury, and about which there was no contention. In other words, the attorneys have received \$75,000 for having a fund that was in the Treasury, to all intents and purposes, for simply having it included in a judgment, and thereby lost \$50,000 that was paid to them annually, being 4 per cent interest on \$1,250,000, and now the Indians have nothing—only the judgment.

In order that the committee may clearly understand just what this \$1,250,000 proposition is, I will read the third article of the treaty made in 1880, which is as follows:

That in consideration of the cession of territory to be made by the said confederated bands of the Ute Nation, the United States, in addition to the annuities and sums for provisions and clothing stipulated and provided for in existing treaties and laws, agrees to set apart and hold, as a perpetual trust for the said Ute Indians, a sum of money, or its equivalent in bonds of the United States, which shall be sufficient to produce the sum of \$50,000 per annum, which sum of \$50,000 shall be distributed per capita to them annually forever.

In the act of Congress approved June 15, 1880, ratifying the treaty, a provision was incorporated, which is section 5 of the act, and reads as follows:

That the Secretary of the Treasury shall, out of any moneys in the Treasury not otherwise appropriated, set apart and hold as a perpetual trust fund for said Ute Indians an amount of money sufficient at 4 per cent to produce annually \$50,000, which interest shall be paid to them per capita in cash annually, as provided in said agreement.

It will be noted that the treaty obligated the United States to pay the Indians \$50,000 annually forever. The jurisdictional act, as has already been stated, provided that \$1,250,000 should be incorporated in the judgment and thereafter interest should cease.

Mr. GODWIN of North Carolina. If the gentleman will permit, does the gentleman know how many attorneys there were?

Mr. BURKE of South Dakota. I have this information, the court gives the names of the attorneys that appeared as counsel in the case and the names of several that it is stated appeared on the brief.

Mr. GODWIN of North Carolina. Will the gentleman please state the names of the attorneys?

Mr. BURKE of South Dakota. I will be glad to do so, as they appear in the report. They are Mr. J. M. Vale and Mr. Marion Butler for the claimants, and Messrs. C. C. Clements, James M. E. O'Grady, Samuel J. Crawford, Richard F. Pettigrew, Melvin E. Grigsby, Adair Wilson, William C. Shelley, and Kie Oldham were on the brief.

Mr. GODWIN of North Carolina. Will the gentleman state how they received their money if there was no authority at law for it?

Mr. BURKE of South Dakota. I am unable to inform the gentleman, except the disbursing officer of the Treasury undoubtedly assumed, and perhaps rightly, as I have already stated, that he had the authority under the jurisdictional act, there being some \$2,000,000 received for the sale of ceded land, that they could pay the attorneys' fees out of that fund.

Mr. MANN. There was over a million of dollars at that time in the Treasury?

Mr. BURKE of South Dakota. Oh, quite a sum.

Mr. GODWIN of North Carolina. You say the attorneys' fee has been paid and the judgment has not been paid?

Mr. BURKE of South Dakota. The judgment has not been paid, and so far as I know the attorneys are not exercising themselves at the present time to see that the judgment is paid, and I presume it would be better from their standpoint if it is not paid, because it affords an opportunity for another good big fee for getting legislation to pay a judgment rendered by the Court of Claims, and a final judgment, the time for an appeal having expired and no appeal having been taken.

Mr. GODWIN of North Carolina. Do you consider the pay reasonable and fair for services rendered?

Mr. BURKE of South Dakota. Mr. Chairman, I have some views relative to services rendered by lawyers and others for lobbying before committees of Congress, and especially with individual Members, for as a general thing they do not make a practice of going before committees, but do their work, as before stated, with a few individuals and usually with those comprising the conferees on the Indian appropriation bill. I think my position is pretty well understood upon that question. I do not care to stop and discuss it now. But I do say that we ought not to pass these jurisdictional acts conferring upon the Court of Claims jurisdiction to determine by an amendment on an appropriation bill put on in another body and agreed to in conference, without any consideration in the House and without either the Senate or the House knowing anything about what is behind the claim or the merits of it.

Mr. GODWIN of North Carolina. What act authorized the payment of this attorney's fee?

Mr. BURKE of South Dakota. I assume the jurisdictional act; I have twice stated my opinion regarding it.

Mr. GODWIN of North Carolina. In what Congress?

Mr. BURKE of South Dakota. In the Fifty-ninth Congress, second session, and I want to say to the gentleman that this came to the House from the Senate as an item in the Indian appropriation bill and was agreed to in conference. I want to further say in justification of my own position as a member of the Committee on Indian Affairs that I was not a Member of Congress at the time this appropriation bill passed. It was during the Sixtieth Congress, when I was not a Member.

Mr. MANN. Will the gentleman yield to a question in reference to the attorneys' fees? Were they not computed by the court upon a percentage basis?

Mr. BURKE of South Dakota. On the basis of 6 per cent, I will say to the gentleman, on the amount of the judgment.

Mr. MANN. Was that not by agreement or stipulation among the counsel?

Mr. BURKE of South Dakota. I think not. I think, Mr. Chairman, if you were to get the facts on that you would find that these gentlemen were claiming 15 per cent of this judgment. And I will say further that there was a former suit brought in the Court of Claims under a resolution sending the matter to the court under the Tucker Act, and it was dismissed by the court for want of jurisdiction. The attorneys in that

proceeding were some of the same attorneys in the later proceeding when the judgment was obtained, and they claimed in the first case that they were operating under a contract which had been obtained from the Indians in 1897 which provided a fee of not exceeding 15 per cent. In that suit they were claiming \$10,000,000 from the United States.

Mr. MANN. I would like to make another inquiry of the gentleman in this connection. As I understand, the gentleman who had the contract for representing the Indians in this case was a Mr. Vale?

Mr. BURKE of South Dakota. Yes, sir.

Mr. MANN. And that there appears in the record in this case as counsel in the case one Marion Butler and one Richard F. Pettigrew? I would like to make the bald inquiry whether those two gentlemen were Members of the United States Senate at the time that Mr. Vale secured his contract to represent the Indians in this matter?

Mr. RUCKER of Colorado. The date would show.

Mr. BURKE of South Dakota. In answer to the inquiry of the gentleman, I would say that in the Forty-third Court of Claims Report, page 260, is the report in the case of the White River Utes et al. against The United States, and by reference to this opinion I find that the contracts were made in 1896—I think in November. At that time Mr. Butler and Mr. Pettigrew were Members of the Senate. The jurisdictional act that sent this case to the Court of Claims the first time, which was under the Tucker Act, says:

The said Indians may be represented in the prosecution of said claims by Josiah M. Vale, Courtland C. Clements, Kie Oldham, William C. Shelley, Adair Wilson, and William S. Peabody, the attorneys named in the contracts between said Indians and said attorneys on file in the office of the Commissioner of Indian Affairs, bearing date November 7, 1896, October 31, 1896, and July 1, 1897; and the Secretary of the Treasury is hereby authorized and directed to set apart and pay to said attorneys as their compensation a sum of money not to exceed 15 per cent of the sum paid to said Indians, or awarded or found to be due to them or deposited in the Treasury for their benefit as herein before provided.

I am reading from the first jurisdictional act.

Mr. MARTIN of Colorado. When was that passed?

Mr. BURKE of South Dakota. In the Fifty-eighth Congress, first session, which would be in 1908, and the reason the suit was dismissed that was brought under that act was that the court said:

Thus it will be seen that the bill seeks to confer upon the Secretary of the Interior judicial powers; that is to say, the construction of treaties and agreements and the determination of the amount due for use and occupation, etc. In other words, it makes the Department of the Interior a court in which is to be settled and adjudicated the matters in difference between the Indians and the Government, and calls upon the Secretary of that department for something more than the mere exercise of his present duty which would have been needless. The bill does not call for the "payment of a claim" within the meaning of the fourteenth section of the Tucker Act, but directs the Secretary of the Interior to adjudicate this claim in the manner provided by the bill, and upon such adjudication it is to be paid.

What is this court called upon to do by the present reference? There can be but one answer to the question, and that is, That it is asked to do just what it would have been the duty of the Secretary of the Interior to do in case the bill had become a law, and that is to try the lawsuit between parties and determine the amount which shall be recovered.

If Congress desires to give this court jurisdiction to try this lawsuit between these Indians and the Government, and finally adjudicate the matter, it will do so by law conferring upon this court that jurisdiction. It will give this court just the same jurisdiction which the present bill seeks to confer upon the Secretary of the Interior.

Mr. GODWIN of North Carolina rose.

Mr. BURKE of South Dakota. I will yield first to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. This jurisdictional act authorizes compensation by attorneys' fees equivalent to 15 per cent of the amount involved?

Mr. BURKE of South Dakota. Not to exceed 15 per cent. That was the resolution that passed in 1908. The later act left it to be determined by the court.

Mr. MARTIN of Colorado. What did the contract with the attorneys call for?

Mr. BURKE of South Dakota. I suppose 15 per cent.

In the jurisdictional act, which was incorporated in the Indian appropriation bill in 1909, direction was given to the court to consider the evidence that had been taken in the case which had been dismissed for want of jurisdiction, so that in the last trial it was merely a matter of computation, practically, and the examination of the evidence that had already been taken. In fixing the fee, the court commented as follows:

It appears that the principal services rendered in this matter were before the committee in Congress. Such services can hardly be allowed for on the basis of the professional services of a lawyer, and this fact renders it somewhat difficult to determine the amount properly to be fixed. The fact also should be noted that there was no appeal from the decision of this court in this suit, which would necessarily involve

considerable more labor and expense; neither were any witnesses examined on either side; in fact, the whole case was tried upon the record as made up by official reports and public documents.

Mr. GODWIN of North Carolina. Is it not a fact that at the time these contracts were made for the attorneys' fees Marion Butler was then a United States Senator from the State of North Carolina?

Mr. BURKE of South Dakota. My understanding is that he was.

Mr. GODWIN of North Carolina. Is it not a fact that afterwards he became a law partner with this recipient of attorneys' fees, Mr. Vale?

Mr. BURKE of South Dakota. I think it is well understood that he is the law partner of Mr. Vale.

Mr. Chairman, as to why this appropriation ought to be made, in addition to what I have stated before, this judgment was entered under a provision in the agreement of 1880. The Indians were to be paid annually a sum of money to be determined by computing the interest at 4 per cent on an amount that would equal \$1,250,000. Therefore, \$1,250,000 was in the Treasury, ostensibly as a paper credit, and the Indians received \$50,000 every year. That was charged to them in this judgment.

The jurisdictional act provided that as soon as a judgment was rendered that \$1,250,000 should be merged in the judgment, and the interest thereon, which was being paid annually, should cease. Consequently, the Indians have not been receiving the \$50,000 a year and have not had a cent since that judgment was entered, so that their condition at the present time is this: Judgment has been entered in their favor against the United States; by reason of that judgment \$211,000 in round figures of money that belonged to them has been paid to certain attorneys; \$50,000 a year, which they had received annually under the agreement with the Government, has ceased; and the Indians to-day are in a destitute condition. The department, in the estimate which is submitted, makes the statement that the Indians are reported to be in a destitute condition, and by reason of the comptroller's decision there are no means afforded for their relief.

It was thought that under the jurisdictional act this money would be available without an appropriation by Congress. But the comptroller held otherwise, and, consequently, as I have already stated, they are entirely without any income whatever, and we owe it, I say, to these Indians that we make an appropriation to pay this judgment, regardless of whether it is \$3,000,000 or \$10,000,000; and we ought to do it in order to avoid a further scandal, which will probably follow, in consequence of a large sum of money being paid to somebody who will come here and secure legislation providing an appropriation for the payment of this judgment.

Therefore, I hope that the gentleman from New York [Mr. FITZGERALD] will accept this amendment and take care of this on this general deficiency bill, where it properly belongs, so that the conferees on the Indian appropriation bill may be relieved of an item that is now upon the Indian appropriation bill that is not there properly.

Mr. FITZGERALD. Mr. Chairman, in order to get the matter adjusted, I shall withdraw the point of order and move that all debate on the pending amendment close in 15 minutes.

Mr. RUCKER of Colorado. Mr. Chairman, I ask that the amendment be again reported.

The CHAIRMAN. The Clerk will report the amendment.

The amendment was again read.

Mr. FITZGERALD. Mr. Chairman, I move to close all debate in 10 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from New York that all debate close in 10 minutes. The motion was agreed to.

Mr. FITZGERALD. Mr. Chairman, I hope this amendment will not be adopted. It is not necessary to appropriate \$3,300,000 to satisfy this judgment or carry out its terms, if eventually they should be carried out. A direction to open an account to the credit of the Indians, and a provision for the payment of the interest upon the designated sum, would be all that would be required. The gentleman from South Dakota [Mr. BURKE] has referred at some length to the more important facts in this case. I have examined, as carefully as possible, the judgment of the Court of Claims. It appears from the findings of fact that sums aggregating \$3,322,305.34 expended by the United States for the benefit of these Indians were not set off against their claim. The court states in its opinion that it believes adequate consideration has moved to the United States for these payments.

I have not had opportunity to give that examination which would induce me to be willing to acquiesce in that finding.

From an examination of the opinion of the court it is very difficult to ascertain the reasons for the attitude of the court upon some important phases of the questions involved. I endeavored to have Judge Barney, of the Court of Claims, come here and go over the case with the members of the committee, so that they might be more fully informed regarding it. Unfortunately he is away from the city and will not return until October. There are enough unsatisfactory features about this judgment to make it advisable that the Congress proceed slowly in satisfying it as proposed by the gentleman from South Dakota.

Mr. MARTIN of Colorado. May I interrupt the gentleman?

Mr. FITZGERALD. Certainly.

Mr. MARTIN of Colorado. I should like to know if the gentleman thinks Congress ought to proceed so slowly as to give no consideration whatever to a claim of this character?

Mr. FITZGERALD. But consideration is being given.

Mr. MARTIN of Colorado. The gentleman knows that I repeatedly demanded a hearing on my bill before his committee.

Mr. BURKE of South Dakota. I appreciate the fact that the gentleman's time is limited, but I should like to ask him one more question.

Mr. MARTIN of Colorado. I do not think the gentleman's time needs to be so limited.

Mr. BURKE of South Dakota. I should like to ask the gentleman from New York if this is not a final judgment of the Court of Claims, and if the time for appeal has not expired?

Mr. FITZGERALD. Yes.

Mr. MARTIN of Colorado. Mr. Chairman, I make the point of no quorum present, if the gentleman's time is so precious.

The CHAIRMAN. The gentleman from Colorado [Mr. MARTIN] makes the point of no quorum present. [After counting.] Fifty-one Members present; not a quorum. The Clerk will call the roll.

The Clerk proceeded to call the roll, when the following Members failed to answer to their names:

Adair	Davis, W. Va.	Hinds	Patton, Pa.
Aiken, S. C.	De Forest	Holland	Pepper
Ainey	Denver	Howard	Peters
Ames	Dies	Howland	Pickett
Anderson, Minn.	Difenderfer	Hughes, Ga.	Porter
Andrus	Dodds	Hughes, N. J.	Powers
Ansberry	Donohoe	Hughes, W. Va.	Prince
Anthony	Draper	Jackson	Pujo
Austin	Driscoll, M. E.	James	Randell
Ayres	Dwight	Johnson, Ky.	Reyburn
Barchfeld	Dyer	Kahn	Riordan
Barnhart	Edwards	Kindred	Roberts, Mass.
Bartholdt	Ellerbe	Kinkead, N. J.	Roberts, Nev.
Bartlett	Esch	Kopp	Roddenbery
Bates	Fairchild	Lafean	Rodenberg
Bathrick	Faison	Langham	Rothermel
Beall, Tex.	Ferris	Langley	Rucker, Mo.
Bell, Ga.	Fields	Lawrence	Sabath
Berger	Finley	Lee, Ga.	Saunders
Booher	Focht	Legare	Scully
Bradley	Fordney	Lenroot	Sells
Brantley	Fornes	Levy	Sheppard
Broussard	Foss	Lewis	Sherwood
Browning	Fuller	Lindsay	Simmons
Burgess	Gardner, Mass.	Linthicum	Slemp
Burke, Pa.	Gardner, N. J.	Littlepage	Small
Butler	Garner	Littleton	Smith, J. M. C.
Byrnes, S. C.	Garrett	Longworth	Smith, Saml. W.
Calder	George	Loud	Smith, Cal.
Calloway	Gillett	McCall	Smith, N. Y.
Campbell	Glass	McCoy	Speer
Cantrill	Goldfogle	McCreary	Stack
Carlin	Graham	McGuire, Okla.	Stanley
Carter	Green, Iowa	McHenry	Stephens, Miss.
Cary	Gregg, Pa.	McKenzie	Switzer
Catlin	Gregg, Tex.	Macon	Talbot, Md.
Clark, Fla.	Griest	Madden	Taylor, Ala.
Clayton	Guernsey	Maher	Thistlewood
Cline	Hamill	Martin, S. Dak.	Thomas
Collier	Hamilton, Mich.	Matthews	Tilson
Cooper	Hamilton, W. Va.	Miller	Towner
Copley	Hardwick	Moon, Pa.	Turnbull
Covington	Harris	Moon, Tenn.	Underhill
Cox, Ind.	Harrison, N. Y.	Moore, Tex.	Utter
Cox, Ohio	Hartman	Morgan	Vare
Crago	Haugen	Morse	Vreeland
Cravens	Hayden	Mott	Webb
Crumpacker	Hayes	Murdock	White
Currier	Heald	Needham	Wilder
Dalzell	Helgesen	Nelson	Wilson, Ill.
Danforth	Helm	Nye	Wilson, N. Y.
Daugherty	Henry, Conn.	Oldfield	Wood, N. J.
Davenport	Higgins	Olmsted	Woods, Iowa
Davidson	Hill	Patten, N. Y.	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he answered "Present."

The committee rose; and the Speaker having resumed the Chair, Mr. HAMMOND, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the general deficiency appropriation bill; and, finding itself without a quorum, he had directed

the roll to be called, when 174 Members had responded to their names—a quorum—and he reported the names of the absentees to the House.

Mr. MARTIN of Colorado. Mr. Speaker, I rise to a question of personal privilege.

Mr. FITZGERALD. Mr. Speaker, I make the point of order that nothing is in order at this time except for the committee to resume its sitting.

The SPEAKER. Nothing is in order at this juncture except for the committee to resume its sitting.

The committee resumed its sitting.

Mr. FITZGERALD. Mr. Chairman, as I was stating when the point of order of no quorum was made, it appears from the findings of the Court of Claims that credit was not given to the United States for \$3,322,000. More than 7,500,000 acres of land additional will be disposed of for the benefit of those Indians, if I understand the decision correctly, under the terms of this decision. For some reason or other no appeal was taken from this judgment on the part of the United States to the United States Supreme Court. So far as the Committee on Appropriations were able to determine, it was impossible to say, without further investigation, whether legislation should not be enacted compelling an appeal to be taken on behalf of the United States Government before the judgment should be accepted as conclusive against its interests. It is true that these Indians appear to be in a condition where some appropriation is needed for their relief. I hope that before this session of Congress expires provision will be made to tide them over the present situation, but I sincerely trust that this amendment to appropriate \$3,300,000, and interest thereon at 4 per cent, for their benefit under this judgment, will not be adopted at this time. It is one of those pieces of legislation incorporated in an appropriation bill in another body, agreed to during the short session of Congress under great pressure. After an opportunity is afforded to examine it most everyone fears to have anything to do with it. Here was legislation of a most remarkable character, providing that the United States should consider as disposed of for cash Indian lands placed in a forest reserve under Executive order.

Mr. BURKE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. BURKE of South Dakota. I do not want the gentleman to misstate the facts, and I know he does not intend to. He misunderstands the situation. Under the treaty of 1880 the Indians ceded all these lands to the United States.

Mr. FITZGERALD. I understand that.

Mr. BURKE of South Dakota. And the United States agreed to sell the land and apply the proceeds to the benefit of the Indians; and it took about 4,000,000 acres and appropriated the land to its own use, creating a number of forest reservations, and the jurisdictional act, incorporated in the Indian appropriation act of 1909, authorized and directed the court to find how much those lands were worth.

Mr. FITZGERALD. It did more than that. It provided that lands set aside from public lands or in reservations should be considered as sold for cash. The court apparently has ignored or forgotten the Lone Wolf case, in which the United States Supreme Court, in One hundred and eighty-seventh United States, decided that the power of Congress in these matters was so comprehensive as to completely revolutionize the attitude and the action taken by Congress in these respects. These lands could easily have been in reserves and yet utilized beneficially by the Indians.

Mr. BURKE of South Dakota. Mr. Chairman, Congress by the jurisdictional act directed the court to do it.

Mr. FITZGERALD. I understand that, but I am speaking of the extraordinary character of that act and the Court of Claims in fixing the compensation of counsel at \$211,000—6 per cent upon the amount of the judgment, which included \$1,250,000 already in the Treasury to the credit of the Indians—stated that the services for which compensation was to be awarded were services rendered almost entirely in work before committees of Congress, and it emphasized the fact that it must have required remarkable services and services of a very high order to persuade Congress to treat these lands placed in forest reserves as lands actually sold for cash.

Mr. Chairman, the time does not permit a fuller or more comprehensive discussion of the terms of this judgment. I think it will be sufficient to say to this committee that the Committee on Appropriations took up the question of including an item in this bill to satisfy this judgment. After examination and upon investigation it was so doubtful as to the propriety of recommending the item at this time that, without dissent whatever, it determined that it would be very unwise and improper to make

a recommendation until an opportunity should be given to obtain further information that would enable the committee to understand better the decision of the court and to determine whether Congress should not be requested to enact legislation which would require an appeal in order to protect the interests of the United States. I hope that the amendment will not be agreed to.

Mr. RUCKER of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. RUCKER of Colorado. The gentleman does not mean to lay down the policy that the Committee on Appropriations shall stand here and report an appeal from a judgment of the Court of Claims?

Mr. FITZGERALD. No; I do not lay that down as a policy, but I say this—

Mr. RUCKER of Colorado. Wait one moment. The gentleman has answered that question. Will the gentleman give one single instance wherein he thinks this judgment rendered by the Court of Claims is not founded upon justice, except that it had allowed the \$210,000 to these attorneys.

Mr. FITZGERALD. Yes; in the tenth finding of fact, found on page 9 of the decision of the court, the court finds that \$3,322,305.34, within \$200,000 of the amount found to be due to the Indians, had been expended by the United States for the benefit of Indians, and that amount was not allowed as a set-off against the claims of the Indians.

Mr. RUCKER of Colorado. But will the gentleman not admit—

Mr. FITZGERALD. Let me conclude my statement. I will state the facts. The court stated that in its opinion, under the treaty, it believed that adequate consideration had moved to the United States for this expenditure. Members of the committee are unable to acquiesce in that determination without further opportunity to investigate. They also desire an opportunity to ascertain why an appeal was not taken on behalf of the United States from this judgment. If the United States Supreme Court determined that this \$3,322,000 should have been allowed to the United States as a credit instead of a judgment aggregating \$3,500,000 in favor of the Indians there would have been only a judgment of \$200,000. Under all of these circumstances, disinterested in the matter, and anxious to do only that which will mete out full judgment to the United States and those claiming to be the beneficiaries under this judgment, the committee requests that this item be not agreed to at this time.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Mr. MANN. Mr. Chairman, I think the Chair is in error. The committee did vote to close debate in 10 minutes, but we are proceeding under the 5-minute rule. The gentleman has only had 5 minutes, and therefore the time has not expired.

The CHAIRMAN. The gentleman from New York has occupied a longer period than five minutes.

Mr. MANN. If the Chair has overrun the time, that is not the fault of the committee. There has only been one five-minute period.

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. MANN. Mr. Chairman, I desire to be notified at the end of three minutes, if I may. I agree with the gentleman from New York [Mr. FITZGERALD] that this judgment ought not to go into this bill at this time. I appreciate the motives of the distinguished gentleman from South Dakota [Mr. BURKE] in offering the amendment. The same proposition is pending as a Senate amendment to the Indian appropriation bill—where it does not belong—and if it is to be appropriated for at this time—where it does not belong—it should be upon this bill. The trouble is, however, this whole case reeks with suspicion, if not with fraud. The claim originally provided by a Senate amendment introduced in those peculiar ways which the body at the other end of the Capitol sometimes agrees to and kept in the appropriation bill in conference in the closing hours of a short session of Congress through the influence of hired or employed counsel friendly to various members of the conference committee or other Members of Congress getting into the Court of Claims under peculiar circumstances like this, not as an ordinary claim, but with direction in the jurisdictional act to the Court of Claims, a judgment has been rendered, which judgment, in my opinion, ought not to be paid until there has been an investigation. When Marion Butler, at one time a distinguished Senator of the United States—or a Senator of the United States, I would say—and since then a lobbyist and attorney for Indian claims, is connected with one of these claims, that fact of itself is enough to excite some suspicion; but when

connected with him in the case there are a number of other names of men who appear in the brief as counsel who never did a stroke of service in the case, except to endeavor to influence the action of Congress through personal influence, the claim still requires further investigation. These gentlemen have been paid over \$200,000 for lobbying, and the court has found that most of the money was for lobbying before Congress. I am not in favor of paying the judgment until we know whether we owe the money, regardless of the provisions of the jurisdictional act inserted in this manner. I hope the Chair will now recognize my colleague from Illinois [Mr. CANNON] for the remaining two minutes.

Mr. FOWLER. Mr. Chairman, I desire to ask the gentleman one question before the gentleman from Illinois makes his speech.

Mr. CANNON. The time is all up. Mr. Chairman, in the two minutes I merely desire to say that this is a judgment of the Court of Claims. I am not prepared to say by any manner of means considering the jurisdictional act that the judgment is not correct. I apprehend that it is. I have confidence in the Court of Claims, but it seems by virtue of the jurisdictional act that the Indians under this judgment are cut off from \$50,000 a year that they were getting as an annuity and now do not get anything. It seems further that the attorneys got \$200,000 plus and the Indians did not get anything. The attorneys have got—

Mr. BURKE of South Dakota. The Indians have lost what they had.

Mr. CANNON. Have lost their \$50,000 a year. We made a little investigation and when we found that it was a question that ought to be investigated and that a Senate amendment had put this item upon the Indian appropriation bill, we said under all the circumstances that we were not satisfied and did not report it. Now, I believe before this Congress adjourns that this judgment ought to be appropriated for, but if it is not appropriated for I believe that an amount sufficient to meet the immediate wants of the distressed Indians, 2,000 of them, who have been cut off from what they were getting, should be provided for by appropriation, reimbursable from what in the end ought to come to them from this judgment.

The CHAIRMAN. The time of the gentleman has expired. The question is on agreeing to the amendment offered by the gentleman from South Dakota.

The question was taken, and the Chairman announced the yeas seemed to have it.

On a division (demanded by Mr. FITZGERALD) there were—ayes 3, yeas 78.

So the amendment was rejected.

Mr. BURKE of South Dakota. Mr. Chairman, I desire to ask leave to extend and revise my remarks in the Record on the subject of the amendment I offered in reference to the Ute Indians.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota. [After a pause.] The Chair hears none.

The Clerk read as follows:

JUDGMENTS IN INDIAN DEPREDAATION CLAIMS.

For payment of judgments rendered by the Court of Claims in Indian depredation cases, certified to Congress in House Document No. 776, at its present session, \$39,971; said judgments to be paid after the deductions required to be made under the provisions of section 6 of the act approved March 3, 1891, entitled "An act to provide for the adjustment and payment of claims arising from Indian depredations," shall have been ascertained and duly certified by the Secretary of the Interior to the Secretary of the Treasury, which certification shall be made as soon as practicable after the passage of this act, and such deductions shall be made according to the discretion of the Secretary of the Interior, having due regard to the educational and other necessary requirements of the tribe or tribes affected; and the amounts paid shall be reimbursed to the United States at such times and in such proportions as the Secretary of the Interior may decide to be for the interests of the Indian Service: *Provided*, That no one of said judgments provided in this paragraph shall be paid until the Attorney General shall have certified to the Secretary of the Treasury that there exists no grounds sufficient, in his opinion, to support a motion for a new trial or an appeal of said cause.

Mr. MANN. Mr. Chairman, I reserve a point of order upon the paragraph. I desire to ask the gentleman from New York [Mr. FITZGERALD] if he knows whether the language of this paragraph, which relates to judgment in Indian depredation claims, provides that judgment shall be made according to the discretion of the Secretary of the Interior, and so forth, "shall be reimbursed to the United States at such times and in such proportions as the Secretary of the Interior may decide to be for the interest of the Indian Service." My recollection is that the law provided that Indian depredation claims shall be paid when there is no money in the Treasury to the credit of the Indians out of the General Treasury and to be reimbursable out of the fund of the Indians.

Mr. FITZGERALD. That is the provision of the law. The statute provides:

That the amount of any judgment so rendered against any tribe of Indians shall be charged against the tribe by which, or by members of which, the court shall find that the depredation was committed, and shall be deducted and paid in the following manner: First, from annuities due said tribe from the United States; second, if no annuities are due or available, then from any other funds due said tribe from the United States, arising from the sale of their lands or otherwise; third, if no such funds are due or available, then from any appropriation for the benefit of said tribe, other than appropriations for their current and necessary support, subsistence, and education; and, fourth, if no such annuity, fund or appropriation is due or available, then the amount of the judgment shall be paid from the Treasury of the United States: *Provided*, That any amount so paid from the Treasury of the United States shall remain a charge against such tribe, and shall be deducted from any annuity, fund or appropriation hereinafter designated which may hereafter become due from the United States to such tribe.

Mr. MANN. I will say to the gentleman in all frankness that I am not sure there is a subsequent statute on the subject; and I make a point of order against this language and the paragraph, Mr. Chairman:

On page 45, in line 5, after the word "act," all of the language down to line 8, to and including the word "affected"; and also, beginning in line 9, at the end of the line, down to and including the word "service" in line 12.

Mr. FITZGERALD. I ask the Clerk to report the language.

Mr. MANN. The language against which I make the point of order is this. Beginning on line 5—

and such deductions shall be made according to the discretion of the Secretary of the Interior, having due regard to the educational and other necessary requirements of the tribes affected.

And then again, beginning, in line 9, with the word "at," at the end of the line—

at such times and in such proportions as the Secretary of the Interior may decide to be for the interest of the Indian service.

Mr. FITZGERALD. You might as well take it all out. The rest is the law, anyway.

Mr. MANN. The rest provides simply, according to statute, for reimbursement.

Mr. FITZGERALD. The gentleman might as well take it out if he is going to take the other out.

Mr. MANN. I do not care to take out what the statute provides for. That leaves it reading right. It does not interfere with the sense of it.

Mr. FITZGERALD. The language to which the gentleman calls attention modifies the statute. It has been incorporated in this particular bill because for a great many years these judgments in Indian depredation cases have been provided for with these modifications of the act of March 3, 1891. I am not aware whether the discretion has ever been exercised by the Secretary of the Interior or not.

Mr. MANN. The committee reporting this bill has followed the practice, and I will say frankly I am not sure but they followed the law. If it is the law, it is not necessary for it to be in here. But the fact is these funds have been paid out of the Federal Treasury for years without any apparent attempt to have them reimbursed.

Mr. FITZGERALD. We might as well get that money as to have it go to some attorneys.

Mr. MANN. I think myself that that is right.

Mr. FITZGERALD. I concede the point of order.

The CHAIRMAN. Both points of order are sustained. The Clerk will read.

The Clerk read as follows:

For transportation of the Army and its supplies, \$43,244.21.

Mr. BURKE of South Dakota. I move to strike out the last word, Mr. Chairman. I would like to ask the gentleman in charge of this bill if he can inform us whether or not under the item of "Transportation of the Army and its supplies" we are paying for the transportation of horses and men who go from some of the Army posts to some point—for instance, Washington—for the purpose of playing polo; whether the expenses are paid for out of appropriations that are made by Congress and whether this deficiency item is to cover any such expense?

Mr. MANN. Before the gentleman answers that I will say, in reference to the polo game, that I think it is worth it if it is.

Mr. BURKE of South Dakota. I was riding down on the Speedway one evening after the House had adjourned, during the recent polo contest here, and I stopped my machine to look at the game for a moment, and I was accosted by a policeman—

Mr. FITZGERALD. It probably saved the gentleman from being taken by the Sergeant at Arms.

Mr. BURKE of South Dakota (continuing). Who informed me that if I desired to stop in the street at the point where I did stop I would be required to pay \$1, whereupon I moved on, not desiring to be arrested. Subsequently I saw in one of the

local papers that this public park was being used for the purpose of a polo contest, and that some one was collecting money from those who stopped in the street to observe the playing for the purpose of paying the expenses. I am trying to ascertain now whether or not the gentleman knows whether the cost of transporting horses and men from Fort Riley and Fort Sill and other posts in the United States to Washington and from here to other places is being paid for by the Government.

Mr. FITZGERALD. Mr. Chairman, there are a number of inquiries contained in the gentleman's question, and I shall make a statement covering them all.

There was an item submitted here to allow in the accounts of an officer for the purchase of polo ponies for the West Point cadets. Not knowing of any authority to make any such purchase, the item was not included in this bill. The appropriation for the transportation of the Army is carried in the bill for the support of the Army—the military establishment—and is not reported from the Committee on Appropriations. These particular items are audited claims which for some reason or other have not been presented in time to be paid out of the appropriations available, and are a class of claims that are paid when audited and inserted in the deficiency bill. My attention was called to the matter mentioned by the gentleman from South Dakota a short while ago. A few years ago, when the movement for playgrounds was very intense in this city, representations were made to the Committee on Appropriations that certain Government reservations could readily be utilized for playgrounds for children. Provision was made authorizing the engineer officer in charge of public buildings and grounds in the city of Washington to permit the use of such portions of the public service within the city of Washington as he deemed advisable for playground purposes.

It appears that under that statute a part of Potomac Park has been set aside as a playground for those who indulge in the pastime of polo, and under the same statute giving this authority, under such regulations as the Secretary of War might adopt, I am advised from information obtained in various ways that the engineer officer in charge of the public buildings and grounds in the city of Washington decided that he was authorized to impose a charge upon persons for stopping automobiles or other vehicles in public highways in the park in order to view the games.

The justification given for the charge was that it was necessary to expend some money in keeping the field in proper shape, and in order to obtain the revenue authority was given to the association, consisting of various Army polo teams, to make the charge. Of course in doing that several specific statutes were violated. There is no authority to permit anybody to spend other funds than those appropriated, and there is no authority which permits anybody to charge anybody for stopping at any place in the public parks. There is a statute expressly forbidding the acceptance of voluntary services or other contributions except by the authority of Congress.

Mr. BURKE of South Dakota. I would like to ask the gentleman whether or not the money that was collected was turned into the Treasury, and if it was how it was disbursed, or what disposition was made of it?

Mr. FITZGERALD. I doubt if it could be turned into the Treasury, because it could not be taken out and expended in keeping these grounds in shape without an appropriation; and, not having been turned into the Treasury, no other official was permitted to accept it in order to expend it on the grounds.

I do not think there is any authority anywhere which permits the making of such a charge, and I do not think it was contemplated that anybody could be charged. We spend a considerable sum of money in keeping Potomac Park in good condition. I doubt if there is any trouble in getting the money necessary and in getting Congress to keep this park in shape.

Mr. BURKE of South Dakota. Do I understand that the gentleman from New York [Mr. FITZGERALD] thinks that the expenses incident to the coming together of these men and horses that are used in this contest are paid for from the Federal Treasury?

Mr. FITZGERALD. I do not know. That is not a line of appropriations that come within the jurisdiction of the Committee on Appropriations.

Mr. SLAYDEN. Mr. Chairman, if the gentleman will permit me, I would like to make a statement.

Mr. FITZGERALD. I yield.

Mr. SLAYDEN. I will say, Mr. Chairman, that there is no appropriation made by the Committee on Military Affairs, which reports the Army appropriation bill, that would justify the Quartermaster General or any other officer in paying the expenses of transporting horses and men from one post to another for the purpose of playing polo.

Mr. BURKE of South Dakota. That was not my question.

Mr. KENDALL. The question is, Was it done?

Mr. BURKE of South Dakota. My question was whether or not the expenses were in fact paid out of the Federal Treasury.

Mr. SLAYDEN. I say there is nothing in the law that would warrant it, and if such a thing as that has been done it has been done contrary to the provisions of the law.

Mr. BURKE of South Dakota. I have been informed that it has been done.

Mr. SLAYDEN. Then I do not know under what regulations of the Quartermaster General it is done.

Mr. MANN. Mr. Chairman, I am one of the persons who paid a fee for the privilege of witnessing the game of polo on Potomac Park. I do not know how one could get a good opportunity of witnessing it without paying. Of course anybody could look at the game from a distance by taking an automobile out there, or taking a carriage out there, but nobody could see it to good advantage without getting into a good place, and then he would have to pay. I do not think that there is anything in the instruction and exercises that are practiced in the military schools, for which we pay large sums of money, that is worth as much to an Army officer when he comes to the time of fighting in a battle as the experience that he acquires in playing one of these fiercely contested polo games. Anyone who has watched the game can say the same thing. The boy who can play shinny without fear or favor has the nerve to be somebody. [Applause.] These men, I hope, are not "molly-coddles," and unless you want to make an army of "molly-coddles," do not stop the polo games. [Applause.]

Mr. KINKAID of Nebraska. I ask unanimous consent, Mr. Chairman, to recur to page 40, for the purpose of offering an amendment.

The CHAIRMAN. The gentleman from Nebraska [Mr. KINKAID] asks unanimous consent to return to page 40, for the purpose of offering an amendment. Is there objection?

Mr. FITZGERALD. What is the amendment?

Mr. KINKAID of Nebraska. It is in regard to a game reserve. It will take only a minute.

Mr. FITZGERALD. Let the amendment be reported.

Mr. KINKAID of Nebraska. It is an amendment for a reappropriation of funds heretofore appropriated and unexpended.

Mr. FITZGERALD. Let the amendment be reported for the information of the committee, or I shall be constrained to object.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Nebraska [Mr. KINKAID].

The Clerk read as follows:

Amend by inserting as a new paragraph, after line 21, page 40, the following:

"So much of the fund for the maintenance of the Montana National Bison Range and other reservations as remains unexpended on June 30, 1912, is hereby reappropriated and made available until expended for fencing and necessary sheds on the public lands in Cherry County, Nebr., heretofore reserved for game purposes, and for transporting thereto buffalo, elk, and deer which have been offered free to the Government."

The CHAIRMAN. Is there objection?

Mr. FITZGERALD. I object.

Mr. KINKAID of Nebraska. I would be pleased if the chairman of the Committee on Appropriations would withhold his objection until I can make an explanation.

Mr. FITZGERALD. A little later the gentleman can offer his amendment and make his statement.

The CHAIRMAN. Objection is heard, and the Clerk will read.

The Clerk read as follows:

CLAIMS ALLOWED BY THE AUDITOR FOR THE POST OFFICE DEPARTMENT.

For inland mail transportation (star), \$396.72.
For inland mail transportation (railroad), \$14.00.
For indemnity for losses by registered mails, \$292.27.
For shipment of supplies, \$236.21.
For freight on mail bags, postal cards, etc., \$15.59.
For compensation to postmasters, \$201.12.
For special-delivery service, fees to messengers, 8 cents.
For freight and expressage on mail bags, postal cards, etc., \$13.07.
For Rural Free-Delivery Service, \$131.39.
For rent, light, and fuel, \$311.14.
For Railway Mail Service, salaries, \$43.01.
For cancelling machines, \$37.50.
For clerk hire, first and second class, \$125.
For clerk hire, third class, \$8.
For clerk hire, separating, \$72.
For City Delivery Service, incidental expenses, \$3.75.
For claims for additional salary of letter carriers under section 2 of act of January 3, 1887, \$8,315.81.

Mr. KINKAID of Nebraska. Mr. Chairman, I desire to reoffer at this point the amendment which I sent to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend by inserting as a new paragraph, after line 6, page 59, the following:

"So much of the fund for the maintenance of the Montana National Bison Range and other reservations as remains unexpended on June 30, 1912, is hereby reappropriated and made available until expended for fencing and necessary sheds on the public lands in Cherry County, Nebr., heretofore reserved for game purposes, and for transporting thereto buffalo, elk, and deer which have been offered free to the Government."

Mr. FITZGERALD. Mr. Chairman, I reserve a point of order on that.

Mr. KINKAID of Nebraska. Mr. Chairman, in explanation of the amendment, I desire to have read a letter of the Secretary of the Treasury and a letter of the Secretary of Agriculture out of my time.

The Clerk read as follows:

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, May 31, 1912.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith, for the consideration of Congress, a communication from the Secretary of Agriculture of the 29th instant, submitting an estimate of reappropriation for inclusion in the general deficiency bill, as follows:

"General expenses, Bureau of Biological Survey: So much of the fund for the maintenance of the Montana National Bison Range and other reservations as remains unexpended on June 30, 1912, is hereby reappropriated and made available until expended for fencing on the national mammal and bird reservations and for transportation of game; and hereafter the appropriation for maintenance of said reservations may be utilized for fencing and for construction of shelters, sheds, and other necessary buildings: *Provided*, That the cost of any one building shall not exceed \$500."

Respectfully,

FRANKLIN MACVEAGH, Secretary.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., May 29, 1912.

The SECRETARY OF THE TREASURY.

SIR: I have the honor to submit, as an estimate for inclusion in the general deficiency bill for the fiscal year ending June 30, 1912, the following provision, and would respectfully request its immediate submission to Congress:

"General expenses, Bureau of Biological Survey: So much of the fund for the maintenance of the Montana National Bison Range and other reservations as remains unexpended on June 30, 1912, is hereby reappropriated and made available until expended for fencing on the national mammal and bird reservations and for transportation of game; and hereafter the appropriation for maintenance of said reservations may be utilized for fencing and for construction of shelters, sheds, and other necessary buildings: *Provided*, That the cost of any one building shall not exceed \$500."

In explanation of this estimate, I may state that the Bureau of Biological Survey has recently received an offer of a gift of 39 buffalo, elk, and deer. This offer is conditioned on the animals being placed on a reservation in Nebraska and is not available for reservations elsewhere. The Niobrara Reservation is the only place in the State of Nebraska available for this purpose, and in order to avail itself of the present offer the department must construct an inclosure on the Niobrara Reservation immediately and arrange for the transfer of the animals at an early date. The reservation in question is well adapted to the purpose, and the present appropriation, if made available, will admit of the transfer of the herd, but the department is without specific authority to erect the necessary fencing. No additional appropriation is necessary if the balance remaining in this fund can be reappropriated for this purpose.

Very respectfully,

W. M. HAYS, Acting Secretary.

Mr. KINKAID of Nebraska. Mr. Chairman, as shown by the letter, the purpose is to enable the Government to avail itself of the gift tendered it by the owner of a herd of buffalo, elk, and deer in Nebraska. It is a herd which he has bred up and held for a long time, an exceptionally fine herd. He is a Nebraska patriot, and for that reason wishes the herd kept in Nebraska, and offers it to the Government free, upon condition that the herd be kept at some point in Nebraska.

Heretofore the reservation, which is a part of the former Fort Niobrara Military Reservation, was set apart by Executive order for a game preserve, and this generous offer has since been made. The departmental officials are now very anxious to avail themselves of the gift of this very fine herd. No new appropriation of money is necessary. This amendment proposes to make the existing appropriation available and to enable the department to use it to the best advantage. I would like very much to have a vote upon the amendment.

Mr. STEPHENS of Texas. I desire to know what is the size of this game reservation.

Mr. KINKAID of Nebraska. About 12,000 acres.

Mr. STEPHENS of Texas. What animals are in the reservation at the present time?

Mr. KINKAID of Nebraska. Nothing but birds.

Mr. STEPHENS of Texas. How far are these buffalo from this reservation?

Mr. KINKAID of Nebraska. I should estimate the distance at about 170 miles.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. KINKAID of Nebraska. Certainly.

Mr. MOORE of Pennsylvania. Is this herd composed entirely of elk?

Mr. KINKAID of Nebraska. Buffalo, elk, and deer.

Mr. MOORE of Pennsylvania. Are there any bull moose in it?

Mr. KINKAID of Nebraska. We will keep them in Nebraska, if there are any.

Mr. STEPHENS of Texas. Will the gentleman inform us about how many buffalo there are in this herd, and how many it is proposed to put into this reserve?

Mr. KINKAID of Nebraska. I do not know just how many. I think about one-third of the total number of 39 are buffalo, but I do not remember definitely about that.

Mr. STEPHENS of Texas. Does not the gentleman think 12,000 acres are a good deal of land for 39 buffalo to run over?

Mr. MOORE of Pennsylvania. Not if the herd includes any bull moose.

Mr. KINKAID of Nebraska. We do not expect the herd to remain as small as it is. We expect to have a thousand head there in the course of time.

Mr. STEPHENS of Texas. They are increasing very rapidly, as I understand it.

Mr. KINKAID of Nebraska. I presume so.

Mr. STEPHENS of Texas. I favor the gentleman's amendment.

Mr. RUCKER of Colorado. Is the gentleman going to exclude sheep from this reservation?

Mr. KINKAID of Nebraska. They are going to build a fence around it and that will exclude sheep; yes.

Mr. RUCKER of Colorado. That puts me pretty hard up against the gentleman's proposition.

Mr. KINKAID of Nebraska. We have plenty of room for sheep though, outside.

Mr. RUCKER of Colorado. Outside of the fence?

Mr. KINKAID of Nebraska. Yes; outside of the fence.

Mr. MANN. Does the gentleman think any ordinary barbed wire fence would be sufficient to keep a bull moose inclosed?

Mr. KINKAID of Nebraska. When he is properly domesticated; yes.

Mr. MANN. If the gentleman knows of any fence which will keep a bull moose within bounds, I am sure he can sell the fence at a very high price. [Laughter.]

Mr. KINKAID of Nebraska. I should like very much to have a vote on my amendment. I regard it as a very meritorious proposition.

Mr. FITZGERALD. Mr. Chairman, the document read by the gentleman indicates that this amendment should not be permitted to pass without some comment. It appears that some estimable persons have corraled and have been nurturing and caring for a herd of buffalo, elk, and other wild animals. The care of this herd having become burdensome to them, the suggestion has been made that the Federal Government is the proper place to apply to relieve these individuals of the burden of voluntarily maintaining this very estimable enterprise. The person or party having on its back this peculiar animal or aggregation of animals offered to donate them to the people of the United States, and a representative of the Department of Agriculture urged before the committee, as one of the most persuasive arguments in favor of the Federal Government providing for the animals, that there were some private individuals who themselves had really been anxious to do this work. That was such an unheard-of thing under modern conditions that the Government should not hesitate a moment to appropriate the money and prohibit or prevent any private individual engaging in this enterprise.

I have no doubt that before long gentlemen on that side will regret that they had not included bull mooses in this array of wild animals that are to be corraled at some place in Nebraska, Montana, or other unknown and remote parts of the United States.

Mr. BURLESON. Unexplored regions.

Mr. FITZGERALD. Perhaps as the mangled remains of the bull mooses are found strewn from one end of the country to the other we will later be ready to give them decent interment; but I think it wise to permit certain of them to roam at large at present, conscious that the country and the Democratic Party will be very greatly benefited.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HARDY. Mr. Chairman, a gentleman sitting by my side has suggested, inasmuch as the gentleman from New York has several times used the term "bull mooses," whether the plural of the term "bull moose" is "bull mooses" or "bull meese."

Mr. FITZGERALD. Mr. Chairman, the chief bull moose is perhaps better equipped to determine that question than anyone else, and I should have to refer to him.

Mr. RUCKER of Colorado. I want to say to the gentleman from New York that the West is not the habitat of the bull moose.

Mr. FITZGERALD. Mr. Chairman, it is anticipated that a certain cross between other breeds of animals will produce a very satisfactory type of animal that will be accepted into full membership in the bull moose herd. But rather than permit any discrimination against this particular type of animal at this time, anxious that they may all have an equal opportunity under the law, with special privilege to none, I shall be compelled to insist on the point of order.

Mr. SLOAN. Mr. Chairman, will the gentleman reserve his point of order for just one moment?

Mr. FITZGERALD. I will reserve it for just one moment.

Mr. SLOAN. Mr. Chairman, in order that there may be no political phase or color to this, I may say that the man who offers to donate this herd is a constituent of mine and is noted for two particular things. One is his lifelong devotion to saving the American buffalo, as there are but few living now, and the other is his lifelong devotion to Democracy, so that the matter has no political flavor.

Mr. FITZGERALD. Mr. Chairman, I would not encourage the gentleman to give up his lifelong devotion to either one of those things.

Mr. SLOAN. He would like to fasten his politics, like the rest of you, on the Government for a short time.

Mr. FITZGERALD. Mr. Chairman, I shall not permit his Democracy to be impaired by permitting him to be a party to a scheme to relieve himself of a burden at the expense of all of the people.

Mr. SLOAN. I regret there is so much fear on the part of any of the gentlemen in the way of a deer or a moose or anything of the kind.

Mr. BURLESON. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The point of order is sustained, and the Clerk will read.

The Clerk read as follows:

Sec. 3. Refund of sums paid for documentary stamps: The time within which claims may be presented for refunding the sums paid for documentary stamps used on foreign bills of exchange drawn between July 1, 1898, and June 30, 1901, against the value of products or merchandise actually exported to foreign countries, specified in the act entitled "An act to provide for refunding stamp taxes paid under the act of June 30, 1898, upon foreign bills of exchange drawn between July 1, 1898, and June 30, 1901, against the value of products or merchandise actually exported to foreign countries and authorizing rebate of duties on anthracite coal imported into the United States from October 6, 1902, to January 15, 1903, and for other purposes," approved February 1, 1909, be, and is hereby, extended to December 1, 1912.

Mr. MANN. Mr. Chairman, I make a point of order against the section.

Mr. FITZGERALD. Does the gentleman make it?

Mr. MANN. I will reserve it for a moment, if the gentleman desires.

Mr. FITZGERALD. Mr. Chairman, the gentleman from Maryland [Mr. LINTHICUM] called the attention of the committee to the fact that a constituent of his has some claims aggregating about six hundred and some odd dollars, and accounts for the delay in obtaining the information upon which the claim may be presented by the fire in Baltimore some years ago. At that time his property was destroyed and with it all his accounts, papers, and other property. At the last session of the last Congress the time was extended one year because of three cases having come to the attention of the committee. It seems this gentleman has now procured the evidence upon which his claim might be allowed, and he asks the committee to extend the time, so as to give him an opportunity to present his claim to the department. The time has been extended on two or three other occasions.

Mr. MANN. Mr. Chairman, this is a claim which is 8 or 10 years old or thereabouts. The Baltimore fire was quite a number of years ago. The time has been extended a number of times, and unless it is the policy to make an unlimited extension of time I do not see why it should be extended another year. I make the point of order.

The CHAIRMAN. The point of order is sustained and the Clerk will read.

The Clerk read as follows:

Sec. 4. The Secretary of War is authorized and directed to grant and lease in the manner hereinafter provided, for a period of 25 years, such surplus water of the United States within the limits of or pertaining to the military reservation of Schofield Barracks (Waiānae

Uka), island of Oahu, Territory of Hawaii, as may not be needed for the supply of the military post and troops on said reservation; and he is further authorized and directed to include in such grant or lease authority to the grantee or lessee thereunder to enter upon such reservation and make surveys thereon for, and construct and maintain, dams, reservations, canals, ditches, flumes, tunnels, and pipe lines for the purpose of diverting and conducting from the reservation the water covered by such grant or lease at such places on said land as said grantee or lessee may select, subject to the approval of the Secretary of War; and to include also the right to said grantee or lessee to take from the lands of the United States adjacent thereto, subject to the approval of the Secretary of War, earth and stone necessary for such construction and maintenance: *Provided*, That said grant or lease shall be made to or entered into with the highest responsible bidder for such surplus water, under sealed proposal, after public advertisement of the terms and conditions thereof for a period of not less than 30 days in a newspaper or newspapers of general circulation published at Honolulu, in the Territory of Hawaii; such terms and conditions to be fixed by the Secretary of War when not inconsistent with the provisions of this section: *Provided further*, That the right to amend, alter, or repeal this section is hereby expressly reserved.

Mr. MANN. Mr. Chairman, I make the point of order against the section. This is the second time this matter has been up. I would be glad to reserve it if the gentleman desires to discuss it at this time.

Mr. FITZGERALD. Mr. Chairman, unless it is possible to convince the gentleman it is hardly worth while wasting the time now.

Mr. MANN. Mr. Chairman, I will say frankly to the gentleman that I am not familiar with the merits of the case and do not make the point of order upon that ground. I make the point of order because I think a matter of this sort ought to be considered by the Appropriation Committee of the House and brought into the House for consideration.

Mr. FITZGERALD. I shall not delay the committee with a statement of the matter at this time. It will be done a little later.

The CHAIRMAN. The point of order is sustained.

Mr. FITZGERALD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HAMMOND, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 25970, the general deficiency appropriation bill, and had come to no resolution thereon.

WITHDRAWAL OF PAPERS—MARGARET FURNIER.

By unanimous consent, Mr. Foss was granted leave to withdraw from the files of the House, without leaving copies, papers in the case of H. R. 5218, Sixty-second Congress, granting a pension to Margaret Fournier, no adverse report having been made thereon.

ROBERT W. ARCHBALD.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent for the present consideration of Senate joint resolution 122, providing for the payment of the expenses of the Senate in the impeachment trial of Robert W. Archbald, which I send to the desk and ask to have read.

Mr. MANN. Mr. Speaker, I suggest that the gentleman ask unanimous consent that it be considered in the House as in Committee of the Whole.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from New York asks unanimous consent for the present consideration of Senate joint resolution 122, and pending that asks unanimous consent to consider it in the House as in Committee of the Whole House. Is there objection to the last request? [After a pause.] The Chair hears none. Is there objection to the first? [After a pause.] The Chair hears none. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (S. J. Res. 122) providing for the payment of the expenses of the Senate in the impeachment trial of Robert W. Archbald. *Resolved, etc.*, That there be appropriated from any money in the Treasury not otherwise appropriated the sum of \$10,000, or so much thereof as may be necessary, to defray the expenses of the Senate in the impeachment trial of Robert W. Archbald.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. FITZGERALD, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

EXCISE BILL.

The SPEAKER. The Chair refers the bill H. R. 21214, commonly known as the excise bill, to the Committee on Ways and Means.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. J. Res. 125. Joint resolution making appropriation for checking the ravages of the army worm; to the Committee on Agriculture.

HOUSE BILLS WITH SENATE AMENDMENTS REFERRED.

Under clause 2 of Rule XXIV, House bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

H. R. 38. An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes; to the Committee on the Territories.

H. R. 22195. An act to reduce the duties on wool and manufactures of wool; to the Committee on Ways and Means.

ENROLLED BILLS SIGNED.

Mr. CRAVENS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 25598. An act granting a pension to Cornelia C. Bragg; and

H. R. 21480. An act to establish a standard barrel and standard grade for apples when packed in barrels, and for other purposes.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 4930. An act to harmonize the national law of salvage with the provisions of the international convention for the unification of certain rules with respect to assistance and salvage at sea, and for other purposes.

ADJOURNMENT.

Mr. FITZGERALD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 13 minutes p. m.) the House adjourned to meet Monday, July 29, 1912, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, a letter from the Secretary of Commerce and Labor, submitting estimates of appropriations with reference to additional aids to navigation in the Light-house Service (H. Doc. No. 893), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. FLOOD of Virginia, from the Committee on Foreign Affairs, to which was referred the bill (H. R. 22589) to provide for the acquisition of premises for the diplomatic establishments of the United States at the City of Mexico, Mexico; Tokyo, Japan; and Berne, Switzerland; and for the consular establishment of the United States at Hankow, China, reported the same without amendment, accompanied by a report (No. 1073), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HOBSON, from the Committee on Naval Affairs, to which was referred the bill (H. R. 25715) providing that officers of the Navy be allowed pay from the dates they take rank, reported the same without amendment, accompanied by a report (No. 1089), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON, from the Committee on the Public Lands, to which was referred the bill (S. 7157) to make uniform charges for furnishing copies of records of the Department of the Interior and of its several bureaus, reported the same without amendment, accompanied by a report (No. 1090), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. HEALD, from the Committee on Claims, to which was referred the bill H. R. 20377, reported in lieu thereof a reso-

lution (H. Res. 643) referring to the Court of Claims the papers in the case of Ynchausti & Co., accompanied by a report (No. 1074), which said resolution and report were referred to the Private Calendar.

Mr. STEPHENS of Mississippi, from the Committee on Claims, to which was referred the bill (H. R. 18894) for the relief of the heirs of the late Samuel H. Donaldson, reported the same with amendment, accompanied by a report (No. 1075), which said bill and report were referred to the Private Calendar.

Mr. CATLIN, from the Committee on Claims, to which was referred the bill (H. R. 23123) for the relief of Lena Schmieder, reported the same with amendment, accompanied by a report (No. 1076), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 24081) for the relief of Henry Hirschberg, reported the same without amendment, accompanied by a report (No. 1077), which said bill and report were referred to the Private Calendar.

Mr. DICKINSON, from the Committee on Claims, to which was referred the bill (H. R. 17140) for the relief of John A. Gauley, reported the same without amendment, accompanied by a report (No. 1078), which said bill and report were referred to the Private Calendar.

Mr. HEALD, from the Committee on Claims, to which was referred the bill (H. R. 21849) for the relief of Felix Morgan, reported the same with amendment, accompanied by a report (No. 1079), which said bill and report were referred to the Private Calendar.

Mr. DICKINSON, from the Committee on Claims, to which was referred the bill (H. R. 23329) for the relief of the heirs of Robert H. Burney and C. J. Fuller, deceased, reported the same without amendment, accompanied by a report (No. 1080), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 9129) for the relief of the estate of William H. Willis, reported the same without amendment, accompanied by a report (No. 1081), which said bill and report were referred to the Private Calendar.

Mr. HEALD, from the Committee on Claims, to which was referred the bill (H. R. 22257) for the relief of Leo Müller, reported the same with amendment, accompanied by a report (No. 1082), which said bill and report were referred to the Private Calendar.

Mr. DICKINSON, from the Committee on Claims, to which was referred the bill (H. R. 23253) to compensate G. W. Wall, of Cheatham County, Tenn., for damages sustained by him on account of the construction of Lock and Dam A on the lower Cumberland River, reported the same with amendment, accompanied by a report (No. 1083), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 23254) to compensate J. E. Stewart, of Cheatham County, Tenn., for damages sustained by him on account of the construction of Lock and Dam A on the lower Cumberland River, reported the same with amendment, accompanied by a report (No. 1084), which said bill and report were referred to the Private Calendar.

Mr. STEPHENS of Mississippi, from the Committee on Claims, to which was referred the bill (H. R. 12339) to refund certain taxes paid by the Southern Redistilling & Rectifying Co. (Ltd.), of New Orleans, La., reported the same with amendment, accompanied by a report (No. 1085), which said bill and report were referred to the Private Calendar.

Mr. HEALD, from the Committee on Claims, to which was referred the bill (S. 2199) to carry into effect findings of the Court of Claims in the cases of Charles A. Davidson and Charles M. Campbell, reported the same without amendment, accompanied by a report (No. 1086), which said bill and report were referred to the Private Calendar.

Mr. STEPHENS of Mississippi, from the Committee on Claims, to which was referred the bill (S. 4041) for the relief of Elizabeth Muhleman, widow, and the heirs at law of Samuel A. Muhleman, deceased, reported the same without amendment, accompanied by a report (No. 1087), which said bill and report were referred to the Private Calendar.

Mr. FARR, from the Committee on Claims, to which was referred the bill (S. 4032) for the relief of C. Person's Sons, reported the same without amendment, accompanied by a report (No. 1088), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were thereupon referred as follows:

A bill (H. R. 25813) for the relief of Bishop T. Raymond; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 16697) granting an increase of pension to Mary A. Pfister; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ADAMSON: A bill (H. R. 26005) to provide for the establishment of one life-saving station on the larger of the two Libby Islands situated at the entrance to Machias Bay, Me.; one life-saving station at Half Moon Bay, south of Point Montara and near Montara Reef, Cal.; one life-saving station at Mackinac Island, Mich.; and one life-saving station at or near Sea Gate, New York Harbor, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. SULZER: A bill (H. R. 26006) to reduce postage rates, improve the postal service, and increase postal revenues; to the Committee on the Post Office and Post Roads.

By Mr. HEFLIN: A bill (H. R. 26007) to authorize the building of a dam across the Coosa River in Alabama, at a place suitable to the interests of navigation, about 7½ miles above the city of Wetumpka; to the Committee on Interstate and Foreign Commerce.

By Mr. REDFIELD: A bill (H. R. 26008) to amend an act of February 1, 1901, chapter 190, entitled "An act providing for leave of absence of certain employees of the Government"; to the Committee on Naval Affairs.

By Mr. GREEN of Iowa: A bill (H. R. 26009) to amend section 4766 of the Revised Statutes of the United States; to the Committee on Invalid Pensions.

By Mr. FARR: A bill (H. R. 26010) providing for the purchase of a site and the erection thereon of a public building at Olyphant, in the State of Pennsylvania; to the Committee on Public Buildings and Grounds.

By Mr. EVANS: Resolution (H. Res. 644) requesting that the Secretary of the Navy furnish information of the naval maneuvers about Narragansett Bay; to the Committee on Naval Affairs.

By Mr. LAMB: Resolution (H. Res. 645) authorizing the printing of Senate Document No. 10, Sixty-second Congress; to the Committee on Printing.

Also, resolution (H. Res. 646) providing for printing the final report of the National Monetary Commission; to the Committee on Printing.

By Mr. SHARP: Resolution (H. Res. 647) directing the Secretary of the Treasury to furnish information looking to economies in the engraving and printing of national bank notes; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Ohio: A bill (H. R. 26011) granting an increase of pension to Delight Hubbard; to the Committee on Invalid Pensions.

By Mr. BYRNS of Tennessee: A bill (H. R. 26012) granting an increase of pension to John N. Smith; to the Committee on Pensions.

By Mr. CURLEY: A bill (H. R. 26013) granting an increase of pension to William Fay; to the Committee on Invalid Pensions.

By Mr. HANNA: A bill (H. R. 26014) granting an increase of pension to John F. Pettit; to the Committee on Invalid Pensions.

By Mr. HELGESEN: A bill (H. R. 26015) granting a pension to Flora May Baker; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 26016) granting a pension to Mary C. Pierce; to the Committee on Invalid Pensions.

By Mr. LEE of Pennsylvania: A bill (H. R. 26017) granting an increase of pension to Isaac Jones; to the Committee on Invalid Pensions.

By Mr. MCGILLICUDDY: A bill (H. R. 26018) to remove the charge of desertion from the record of Francis G. French, alias Frank Jones; to the Committee on Naval Affairs.

By Mr. PATTON of Pennsylvania: A bill (H. R. 26019) granting an increase of pension to Patrick Kelley; to the Committee on Invalid Pensions.

By Mr. PROUTY: A bill (H. R. 26020) granting an increase of pension to Stephen B. White; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. AIKEN of South Carolina: Petition of John H. Winder Division, Brotherhood of Locomotive Engineers, Abbeville, S. C., favoring the passage of the workmen's compensation act; to the Committee on the Judiciary.

By Mr. BYRNS of Tennessee: Papers accompanying bill granting an increase of pension to John N. Smith; to the Committee on Invalid Pensions.

By Mr. CRAVENS: Petition of the railway employees of Little Rock, Ark., protesting against the passage of the employers' liability and workmen's compensation act; to the Committee on the Judiciary.

By Mr. CURLEY: Petition of citizens of greater Boston and Roxbury, Mass., and of the John Mitchell Club, of Boston, protesting against the passage of the Burton-Littleton bill making appropriation for celebrating 100 years' peace with England; to the Committee on Industrial Arts and Expositions.

By Mr. DICKINSON: Papers to accompany bill granting a pension to Sarah J. Drummond; to the Committee on Invalid Pensions.

By Mr. DONOHUE: Petition of Gen. Henry R. Guss Post, West Chester, Pa., favoring legislation abolishing the office of pension agent; to the Committee on Pensions.

By Mr. MAGUIRE of Nebraska: Petition of citizens of Nebraska, favoring giving the Interstate Commerce Commission further power toward controlling the express rates and classifications; to the Committee on Interstate and Foreign Commerce.

By Mr. McKELLAR: Petition of citizens of Tennessee along the banks of the Mississippi River, praying for relief because of floods; to the Committee on Rivers and Harbors.

By Mr. O'SHAUNESSY: Petition of citizens of New England, favoring all possible means for the suppression of the liquor traffic; to the Committee on the Judiciary.

By Mr. SHERLEY: Petition of citizens of Kentucky, protesting against the passage of the Burnett immigration bill (H. R. 22527); to the Committee on Immigration and Naturalization.

By Mr. WILLIS: Papers to accompany House bill 8070, granting an increase of pension to Seth Clark; to the Committee on Invalid Pensions.

SENATE.

MONDAY, July 29, 1912.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The Secretary proceeded to read the Journal of the proceedings of Saturday last, when, on request of Mr. Smoor and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MEMORIAL.

Mr. CRANE presented a memorial of the Board of Trade of Worcester, Mass., remonstrating against the passage of the so-called Bourne parcel-post bill, which was referred to the Committee on Post Offices and Post Roads.

REPORTS OF COMMITTEES.

Mr. PENROSE. I report back adversely from the Committee on Finance the bill (H. R. 24153) to amend and reenact section 5241 of the Revised Statutes of the United States and I submit a report (No. 989) thereon. As the minority of the committee reserves the right to file minority views, I ask that the bill may go to the calendar.

The PRESIDENT pro tempore (Mr. GALLINGER). The bill will be placed on the calendar.

Mr. McCUMBER. I was just about to announce that members of the Finance Committee would submit minority views in opposition to the adverse report.

Mr. WILLIAMS. I understand also that the Senator from North Dakota will submit a bill as a substitute for the bill adversely reported.

Mr. McCUMBER. That is correct.

Mr. BURNHAM, from the Committee on Pensions, to which was referred the amendment submitted by Mr. McCUMBER on the 26th instant, proposing to appropriate \$1,200 to pay Robert W. Farrar for indexing and extra services as clerk to the Committee on Pensions, Sixty-second Congress, first and second ses-